EMPLOYEE BENEFITS 1978

CHAMBER OF COMMERCE OF THE UNITED STATES

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CHAMBER OF COMMERCE OF THE UNITED STATES
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EMPLOYEE BENEFITS 1979

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1. INTRODUCTION

Employee benefit growth, during recent years, has substantially improved worker well-being, and has also increased the cost of doing business.

Payments for vacations, holidays, rest periods, etc., constitute almost half of total employee benefits. These payments are included in most government wage reports as a portion of employee wages. Such payments give employees increased compensation for each hour actually on the job. Thus, they also increase the employer's cost for each hour of productive labor.

Pension, insurance, Social Security, and other employer payments for nonwage employee benefits are not part of the payroll, and are not reflected in current income or wages of employees. Such benefits, however, greatly improve employee security and well-being, and also increase the cost of doing business.

This study is, in general, limited to employees who are not exempt from the Fair Labor Standards Act. Pay of workers covered by this survey varies with the number of hours worked. However, for banks, financial institutions, etc., all nonsupervisory employees and working supervisors are included, regardless of their method of wage payment.

Thirty-one years ago the Chamber of Commerce of the United States noted the scarcity of statistical information regarding the scope and nature of employee benefits, and conducted the first comprehensive employee benefit study for a cross section of American industry. This study was widely and favorably received. At the request of employers it was repeated biennially with extended coverage and in greater detail.

Responding to numerous requests of employers for more frequent data, we are now conducting annual surveys, beginning with this 1978 report.

This seventeenth study was possible only with the cooperation of the 858 reporting employers who sorted through their records to furnish the detailed information requested, frequently at considerable cost to themselves. We wish to thank them for their help.

Several organizations cooperated with the U.S. Chamber in this study. The National Retail Merchants Association, Hospital Association of New York State, Kansas City Area Hospital Association, and American Paper Institute each sent questionnaires to some of their members. We greatly appreciate the assistance of these organizations in helping us improve the coverage of this survey.

This survey was conducted in the U.S. Chamber's Economic Policy Department by Fred D. Lindsey, Consultant.

RICHARD S. LANDRY
Administrative Director
Economic Policy

November 1979

2. SUMMARY OF FINDINGS

1. Employee benefit payments varied widely among the 858 reporting companies, ranging from less than 18 percent to more than 65 percent of payroll and from under $2,200 to over $9,000 yearly per employee.
2. The average payment in 1978 was 36.9 percent of payroll, 247.1 cents per payroll hour, and $5,138 per year per employee.
3. Industry payments varied widely. Hospitals averaged 27.1 percent, but chemicals and allied products paid 43.4 percent.
4. Highest payments were made in the East North Central and Northeastern states, followed by the Western and Southeastern states.
5. Larger firms tended to pay higher benefits than smaller firms.
6. Payments for nongovernment pensions were reported by 89 percent of the companies, with pension payments for these firms averaging 6.3 percent of payroll.
7. Ninety-nine percent of the companies reported payments for employee insurance programs, with these payments averaging 5.6 percent of payroll.
8. Payrolls of reporting companies included 93.4 percent for straight-time pay, 3.7 percent for overtime premium pay, 0.7 percent for holiday premium pay, 0.6 percent for shift differential, 1.1 percent for earned incentive or production bonus, and 0.5 percent for other payroll items.
9. Employee payroll deductions for benefits included 5.6 percent for Old-Age, Survivors, Disability, and Health Insurance (FICA taxes); 0.1 percent for Railroad Retirement Tax, state sickness insurance, and similar programs; 0.2 percent for pensions; and 0.9 percent for life, hospitalization, surgical, and other insurance.
10. Benefit payments for 159 companies submitting data since 1957 increased from 23.4 percent in 1957 to 29 percent in 1967 and 40.5 percent in 1978.

3. DISTRIBUTION OF BENEFIT PAYMENTS

Payments for employee benefits varied widely among the 858 reporting companies. At one extreme were 12 companies paying less than 18 percent of payroll for benefits, while eight firms paid 65 percent or more.

Expressed as cents per payroll hour, the range was even more extreme. Five firms paid less than 80 cents per hour, while 12 firms paid more than $4.50. On an annual basis, 20 firms paid less than $2,200 per employee, while 24 firms paid $9,000 or more.

The distribution of benefit payments for the 858 companies is shown in Table 1.

One-tenth of the firms paid more than 48.7 percent of payroll for benefits, while one-fourth paid more than 42.1 percent, as shown in Table 2. Half the firms paid more than 35.9 percent, three-fourths more than 30.9 percent, and nine-tenths more than 25.6 percent. The arithmetic mean or average payment was 36.9 percent. This was somewhat larger than the middle payment of 35.9 percent, since it was influenced by the high-paying companies.

Corresponding data as cents per payroll hour and as annual dollars per employee are also shown in Table 2.

Within individual industries, benefit payments also varied widely. Payments in the food, beverages, and tobacco industry varied from under 20 percent to more than 65 percent, and in the electrical machinery, equipment, and supplies industry they varied from less than 18 to more than 60 percent. The distribution of individual company payments by industry groups is shown in Table 3.

TABLE 1. Distribution of Employee Benefits, 1978

Percent of payroll		Cents per payroll hour		Dollars per year per employee	
Percent	Number of companies	Cents	Number of companies	Dollars	Number of companies
Under 18.0%	12	Under 80.0c	5	Under $2,200	20
18.0-19.9	8	80.0-89.9	7	2,200-2,399	19
20.0-21.9	21	90.0-99.9	3	2,400-2,599	16
22.0-23.9	26	100.0-109.9	11	2,600-2,799	14
24.0-25.9	24	110.0-119.9	22	2,800-2,999	22
26.0-27.9	41	120.0-129.9	17	3,000-3,199	18
28.0-29.9	67	130.0-139.9	22	3,200-3,399	19
30.0-31.9	64	140.0-149.9	17	3,400-3,599	36
32.0-33.9	94	150.0-174.9	63	3,600-3,799	33
34.0-35.9	76	175.0-199.9	91	3,800-3,999	40
36.0-37.9	72	200.0-224.9	107	4,000-4,499	95
38.0-39.9	67	225.0-249.9	124	4,500-4,999	117
40.0-41.9	70	250.0-274.9	95	5,000-5,499	92
42.0-43.9	57	275.0-299.9	59	5,500-5,999	77
44.0-45.9	36	300.0-324.9	64	6,000-6,499	64
46.0-47.9	29	325.0-349.9	53	6,500-6,999	49
48.0-49.9	26	350.0-374.9	31	7,000-7,499	39
50.0-54.9	31	375.0-399.9	28	7,500-7,999	32
55.0-59.9	23	400.0-424.9	19	8,000-8,499	23
60.0-64.9	6	425.0-449.9	8	8,500-8,999	9
65.0 and over	8	450.0 and over	12	9,000 and over	24
TOTAL	858	TOTAL	858	TOTAL	858

TABLE 2. Five Levels of Employee Benefits, 1978

Item	As percent of payroll	Cents per payroll hour	Dollars per year per employee
10% of firms paid more than	48.7%	360.6c	$7,548
25% of firms paid more than	42.1	300.5	6,205
50% of firms paid more than	35.9	238.0	4,917
75% of firms paid more than	30.9	188.1	3,889
90% of firms paid more than	25.6	139.5	2,954
Mean or average payment	36.9%	247.1c	$5,138

TABLE 3. Distribution of Employee Benefits as Percent of Payroll, by Industry Groups, 1978

Total employee benefits as percent of payroll	Total, all industries	Manufacturing industries															Nonmanufacturing industries							
		Total, all manufacturing	Food, beverages, and tobacco	Textile products and apparel	Pulp, paper, lumber, and furniture	Printing and publishing	Chemicals and allied products	Petroleum industry	Rubber, leather, and plastic products	Stone, clay, and glass products	Primary metal industries	Fabricated metal products (excl. mach. and trans. equipment)	Machinery (excluding electrical)	Electrical machinery, equipment, and supplies	Transportation equipment	Instruments and miscellaneous manufacturing industries	Total, all nonmanufacturing	Public utilities (electric, gas, water, telephone, etc.)	Department stores	Trade (wholesale and other retail)	Banks, finance companies, and trust companies	Insurance companies	Hospitals	Miscellaneous nonmanufacturing industries*
Under 18.0%	12	4	...	2	...	...	...	...	...	...	...	1	...	1	...	...	8	...	...	3	1	...	3	1
18.0-19.9	8	7	2	1	...	...	...	...	1	1	1	...	1	...	...	...	1	1	...	...	...	...	...	...
20.0-21.9	21	7	...	2	...	...	...	...	1	...	...	...	...	2	...	2	14	...	...	4	1	1	6	2
22.0-23.9	26	11	1	2	2	...	1	...	1	1	...	...	2	...	1	...	15	...	...	...	...	...	14	1
24.0-25.9	24	14	...	2	1	3	...	...	1	...	2	2	2	...	1	...	10	1	1	...	...	...	7	1
26.0-27.9	41	27	2	5	3	1	...	...	...	1	1	3	3	4	1	3	14	...	2	3	1	1	4	3
28.0-29.9	67	34	3	1	...	3	...	...	5	2	3	1	6	6	1	3	33	4	3	4	2	2	12	6
30.0-31.9	64	40	1	3	7	4	...	...	2	1	2	6	6	2	2	4	24	9	1	3	...	4	5	2
32.0-33.9	94	57	5	2	8	3	2	...	3	1	1	5	11	7	4	5	37	11	...	2	5	7	8	4
34.0-35.9	76	44	1	2	3	5	1	1	2	...	2	11	9	5	1	1	32	8	2	3	1	13	3	2
36.0-37.9	72	31	2	...	2	7	1	...	1	2	6	5	5	4	3	3	31	12	1	3	5	6	...	4
38.0-39.9	67	40	1	1	...	2	2	3	3	3	1	4	6	8	2	4	27	14	...	1	5	4	2	1
40.0-41.9	70	39	4	1	2	2	6	3	1	...	2	5	5	4	1	3	31	13	1	1	6	7	1	2
42.0-43.9	57	31	1	...	1	1	5	1	2	2	1	2	9	1	3	2	26	10	...	...	6	9	...	1
44.0-45.9	36	21	1	2	1	...	1	...	...	3	2	2	5	1	2	1	15	10	...	...	1	2	...	2
46.0-47.9	29	15	...	...	...	...	4	1	1	1	1	1	1	4	1	...	14	6	...	...	4	3	...	1
48.0-49.9	26	14	2	...	...	1	1	2	...	...	1	3	2	1	1	...	12	6	...	...	1	2	...	3
50.0-54.9	31	23	1	...	...	...	2	...	...	2	2	4	6	4	2	...	8	3	...	...	1	2	...	2
55.0-59.9	23	17	...	...	2	...	3	...	...	...	5	1	2	1	1	2	6	3	...	...	1	1	...	1
60.0-64.9	6	5	...	...	...	...	1	...	...	...	2	...	...	1	...	1	1	1	...	...	...	...	...	...
65.0 and over	8	6	1	...	1	...	...	...	...	...	1	2	...	...	1	...	2	1	...	...	...	...	...	1
Total companies	858	497	28	26	33	32	30	11	24	20	36	58	81	56	28	34	361	113	11	27	41	64	65	40
50% of companies paid more than	35.9	36.2	35.0	27.8	33.0	35.0	43.0	41.3	33.0	39.0	39.0	36.2	36.4	36.8	38.5	35.0	35.6	39.6	30.0	30.0	40.0	37.5	27.5	34.5

*Includes research, engineering, education, government agencies, mining, construction, etc.

4. AVERAGE BENEFIT PAYMENTS

Employee benefit payments in 1978 averaged 36.9 percent of payroll for all companies. Included were:

Legally required payments (employer's share only)	9.0%
Pension, insurance, and other agreed-upon payments (employer's share only)	12.2%
Paid rest periods, lunch periods, etc.	3.6%
Payments for vacations, holidays, sick leave, etc.	9.7%
Profit-sharing payments, bonuses, etc.	2.4%
Total	36.9%

As shown in Table 4, the manufacturing companies averaged 37.4 percent, somewhat more than the all-company average, while the nonmanufacturing companies averaged 36.1 percent.

Manufacturing firms had higher benefit payments for Old-Age, Survivors, Disability, and Health Insurance (FICA taxes), Unemployment Compensation, workers' compensation, nongovernment insurance, and paid holidays.

Nonmanufacturing firms had higher payments for nongovernment pensions, vacations, sick leave, employee meals furnished free, and discounts on goods and services purchased from the company.

TABLE 4. Employee Benefits, by Type of Benefit, 1978

Type of benefit	Total, all companies	Total, all manufacturing	Total, all nonmanufacturing
Total employee benefits as percent of payroll	36.9	37.4	36.1
1. Legally required payments (employer's share only)	9.0	10.0	7.5
a. Old-Age, Survivors, Disability, and Health Insurance (FICA taxes)	5.6	5.7	5.5
b. Unemployment Compensation	1.7	2.1	1.1
c. Workers' compensation (including estimated cost of self-insured)	1.6	2.2	0.8
d. Railroad Retirement Tax, Railroad Unemployment and Cash Sickness Insurance, state sickness benefits insurance, etc.**	0.1	*	0.1
2. Pension, insurance, and other agreed-upon payments (employer's share only)	12.2	12.1	12.3
a. Pension plan premiums and pension payments not covered by insurance-type plan (net)	5.6	4.9	6.5
b. Life insurance premiums; death benefits; hospital, surgical, medical, and major medical insurance premiums, etc. (net)	5.6	6.3	4.5
c. Salary continuation or long term disability	0.3	0.3	0.3
d. Dental insurance premiums	0.2	0.3	0.2
e. Discounts on goods and services purchased from company by employees	0.1	*	0.2
f. Employee meals furnished by company	0.2	0.1	0.3
g. Miscellaneous payments (compensation payments in excess of legal requirements, separation or termination pay allowances, moving expenses, etc.)	0.2	0.2	0.3
3. Paid rest periods, lunch periods, wash-up time, travel time, clothes-change time, get-ready time, etc.	3.6	3.5	3.6
4. Payments for time not worked	9.7	9.2	10.5
a. Paid vacations and payments in lieu of vacation	4.9	4.8	5.0
b. Payments for holidays not worked	3.2	3.3	3.1
c. Paid sick leave	1.2	0.8	1.9
d. Payments for State or National Guard duty; jury, witness, and voting pay allowances; payments for time lost due to death in family or other personal reasons, etc.	0.4	0.3	0.5
5. Other items	2.4	2.6	2.2
a. Profit-sharing payments	1.4	1.6	1.1
b. Contributions to employee thrift plans	0.3	0.2	0.4
c. Christmas or other special bonuses, service awards, suggestion awards, etc.	0.4	0.5	0.3
d. Employee education expenditures (tuition refunds, etc.)	0.1	0.1	0.2
e. Special wage payments ordered by courts, payments to union stewards, etc.	0.2	0.2	0.2
Total employee benefits as cents per payroll hour	247.1	246.1	247.4
Total employee benefits as dollars per year per employee	5,138	5,164	5,083

*Less than 0.05%

**Figure shown is considerably less than legal rate, because most reporting companies had only a small proportion of employees covered by tax.

5. INDUSTRY VARIATIONS

Employee benefit payments varied widely from industry to industry. The chemicals and allied products industry paid 43.4 percent, followed by the petroleum industry paying 42.3 percent, and the primary metal industries paying 41.6 percent. Hospitals paid only 27.1 percent, and textile products and apparel paid 28.8 percent.

Expressed as cents per payroll hour, payments ranged from 361 cents for the petroleum industry to 132.7 cents for textile products and apparel. Annual dollars per year per employee varied from $7,715 for the petroleum industry to $2,786 for textile products and apparel.

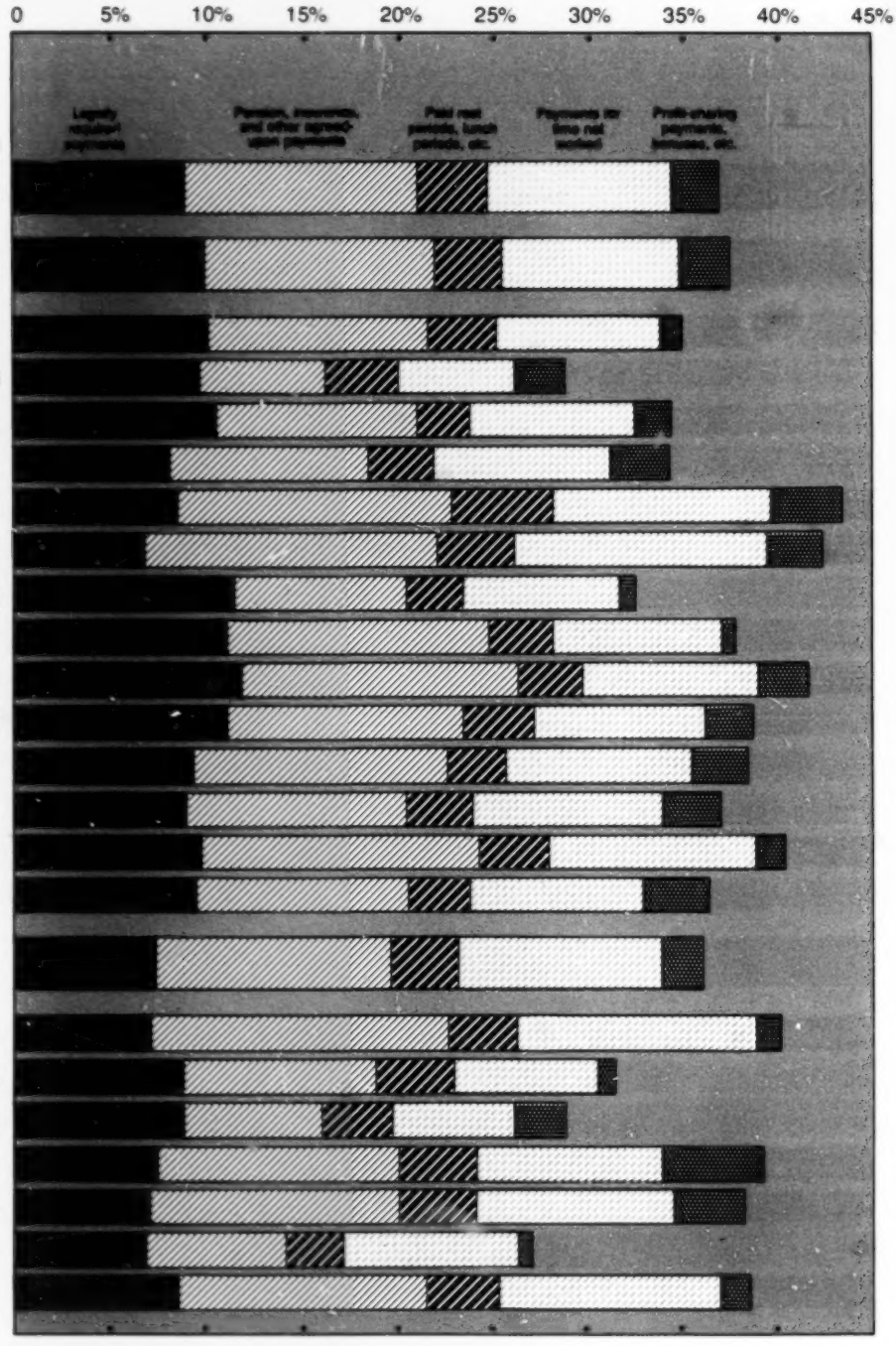
Additional summary data on benefit payments by industries are shown in Table 5 and Chart 1.

More complete details regarding benefits as percent of payroll, cents per payroll hour, and dollars per employee are shown in Tables 6, 7, and 8.

TABLE 5. Major Types of Employee Benefits, by Industry Groups, 1978

Industry group	Employee benefits as percent of payroll						Total employee benefits as cents per payroll hour	Total employee benefits as dollars per year per employee	Number of companies
	Total, all employee benefits	Legally required payments (employer's share only)	Pension, insurance, and other agreed-upon payments (employer's share only)	Paid rest periods, lunch periods, etc.	Payment for time not worked	Profit-sharing payments, bonuses, etc.			
Total, all industries	36.9	9.0	12.2	3.6	9.7	2.4	247.1	5138	858
Total, all manufacturing	37.4	10.0	12.1	3.5	9.2	2.6	246.1	5164	497
Manufacture of:									
Food, beverages, and tobacco	35.0	10.2	11.6	3.6	8.4	1.2	222.8	4713	28
Textile products and apparel	28.8	9.8	6.6	3.7	6.1	2.6	132.7	2786	26
Pulp, paper, lumber, and furniture	34.4	10.7	10.5	2.8	8.6	1.8	216.9	4611	33
Printing and publishing	34.3	8.3	10.3	3.4	9.3	3.0	236.0	4734	32
Chemicals and allied products	43.4	8.7	14.3	5.3	11.3	3.8	308.0	6459	30
Petroleum industry	42.3	6.9	15.3	4.1	13.2	2.8	361.0	7715	11
Rubber, leather, and plastic products	32.6	11.6	9.0	3.0	8.1	0.9	194.9	4042	24
Stone, clay, and glass products	37.7	11.2	13.7	3.4	8.9	0.5	233.5	4903	20
Primary metal industries	41.6	12.0	14.5	3.4	9.1	2.6	285.9	5875	36
Fabricated metal products (excluding machinery and transportation equipment)	38.7	11.2	12.4	3.7	8.9	2.5	244.3	5099	58
Machinery (excluding electrical)	38.4	9.4	13.4	3.1	9.5	3.0	260.9	5568	81
Electrical machinery, equipment, and supplies	37.1	9.1	11.5	3.6	9.8	3.1	244.5	5103	56
Transportation equipment	40.5	9.9	14.6	3.7	10.6	1.7	299.2	6321	28
Instruments and miscellaneous manufacturing industries	36.4	9.6	11.1	3.3	9.0	3.4	228.7	4839	34
Total, all manufacturing	36.1	7.5	12.3	3.6	10.5	2.2	247.4	5083	361
Public utilities (electric, gas, water, telephone, etc.)	40.2	7.2	15.7	3.5	12.5	1.3	319.3	6681	113
Department stores	31.5	8.9	10.1	4.1	7.5	0.9	141.6	2866	11
Trade (wholesale and other retail)	28.9	9.0	7.2	3.7	6.3	2.7	179.8	3719	27
Banks, finance companies, and trust companies	39.2	7.6	12.6	4.2	9.6	5.2	239.9	4886	41
Insurance companies	38.2	7.2	13.0	4.0	10.4	3.6	244.4	4790	64
Hospitals	27.1	7.0	7.3	3.0	9.2	0.6	147.2	3052	65
Miscellaneous nonmanufacturing industries (research, engineering, education, government agencies, mining, construction, etc.)	38.6	8.7	13.0	3.8	11.6	1.5	288.2	5918	40

CHART 1. Employee Benefits as Percent of Payroll, by Industry Groups, 858 Companies, 1978



Industry group	Percent of payroll
Total, all industries	36.9
Total, all manufacturing	37.4
Manufacture of:	
Food, beverages, and tobacco	35.0
Textile products and apparel	28.8
Pulp, paper, lumber, and furniture	34.4
Printing and publishing	34.3
Chemicals and allied products	43.4
Petroleum industry	42.3
Rubber, leather, and plastic products	32.6
Stone, clay, and glass products	37.7
Primary metal industries	41.6
Fabricated metal products	38.7
Machinery (excluding electrical)	38.4
Electrical machinery, equipment, and supplies	37.1
Transportation equipment	40.5
Instruments and miscellaneous manufacturing industries	36.4
Total, all nonmanufacturing	36.1
Public utilities (electric, gas, water, telephone, etc.)	40.2
Department stores	31.5
Trade (wholesale and other retail)	28.9
Banks, finance companies, and trust companies	39.2
Insurance companies	38.2
Hospitals	27.1
Miscellaneous nonmanufacturing industries*	38.6

*Includes research, engineering, education, government agencies, mining, construction, etc.

TABLE 6. Employee Benefits as Percent of Payroll, by Type of Benefit and Industry Groups, 1978

Type of benefit	Total, all industries	Manufacturing industries															Nonmanufacturing industries							
		Total, all manufacturing	Food, beverages, and tobacco	Textile products and apparel	Pulp, paper, lumber, and furniture	Printing and publishing	Chemicals and allied products	Petroleum industry	Rubber, leather, and plastic products	Stone, clay, and glass products	Primary metal industries	Fabricated metal products (excl. mach. and trans. equipment)	Machinery (excluding electrical)	Electrical machinery, equipment, and supplies	Transportation equipment	Instruments and miscellaneous manufacturing industries	Total, all nonmanufacturing	Public utilities (electric, gas, water, telephone, etc.)	Department stores	Trade (wholesale and other retail)	Banks, finance companies, and trust companies	Insurance companies	Hospitals	Miscellaneous nonmanufacturing industries*
Total employee benefits as percent of payroll	36.9	37.4	35.0	28.8	34.4	34.3	43.4	42.3	32.6	37.7	41.6	38.7	38.4	37.1	40.5	36.4	36.1	40.2	31.5	28.9	39.2	38.2	27.1	38.6
1. Legally required payments (employer's share only)	9.0	10.0	10.2	9.8	10.7	8.3	8.7	6.9	11.6	11.2	12.0	11.2	9.4	9.1	9.9	9.6	7.5	7.2	8.9	9.0	7.6	7.2	7.0	8.7
a. Old-Age, Survivors, Disability, and Health Insurance (FICA taxes)	5.6	5.7	5.8	5.9	5.6	5.5	5.6	5.2	5.9	5.9	5.8	5.7	5.7	5.7	5.7	5.7	5.5	5.3	5.7	5.6	5.6	5.5	5.7	5.7
b. Unemployment Compensation	1.7	2.1	1.8	2.3	2.7	1.7	1.5	0.7	2.3	2.1	2.1	2.2	1.9	2.0	2.0	2.7	1.1	0.8	2.2	1.8	1.8	1.4	0.4	1.4
c. Workers' compensation (including estimated cost of self-insured)	1.6	2.2	2.6	1.6	2.4	1.0	1.6	0.9	3.3	3.1	4.1	3.3	1.8	1.3	2.2	1.2	0.8	0.9	1.0	1.5	0.2	0.3	0.8	1.6
d. Railroad Retirement Tax, Railroad Unemployment and Cash Sickness Insurance, state sickness benefits insurance, etc.**	0.1	***	***	***	***	0.1	***	0.1	0.1	0.1	***	***	***	0.1	***	***	0.1	0.2	***	0.1	***	***	0.1	***
2. Pension, insurance, and other agreed-upon payments (employer's share only)	12.2	12.1	11.6	6.6	10.5	10.3	14.3	15.3	9.0	13.7	14.5	12.4	13.4	11.5	14.6	11.1	12.3	15.7	10.1	7.2	12.6	13.0	7.3	13.0
a. Pension plan premiums and pension payments not covered by insurance-type plan (net)	5.6	4.9	4.6	2.1	4.6	4.9	6.7	10.3	2.5	5.2	5.6	4.6	5.3	4.6	5.4	4.9	6.5	9.6	2.7	2.4	7.0	7.2	2.6	6.0
b. Life insurance premiums; death benefits; hospital, surgical, medical, and major medical insurance premiums, etc. (net)	5.6	6.3	6.0	4.2	5.3	4.7	6.1	4.5	6.0	7.6	8.1	6.9	7.1	6.1	7.8	5.4	4.5	5.2	3.1	4.0	4.7	4.3	3.6	4.9
c. Salary continuation or long term disability	0.3	0.3	0.3	0.1	0.2	0.3	0.5	0.2	0.2	0.2	0.3	0.3	0.4	0.3	0.3	0.2	0.3	0.3	0.2	0.1	0.2	0.4	0.3	0.2
d. Dental insurance premiums	0.2	0.3	0.3	***	0.1	0.2	0.6	***	0.1	0.3	0.3	0.3	0.3	0.3	0.5	0.1	0.2	0.2	0.2	0.2	***	0.1	0.1	0.3
e. Discounts on goods and services purchased from company by employees	0.1	***	0.1	0.1	***	0.1	***	0.1	***	***	***	***	***	***	***	0.1	0.2	0.1	3.9	0.3	0.1	***	0.2	0.1
f. Employee meals furnished by company	0.2	0.1	***	***	0.1	0.1	0.2	0.1	***	0.1	***	0.1	0.1	0.1	***	0.1	0.3	0.1	***	0.2	0.5	0.8	0.3	0.2
g. Miscellaneous payments (compensation payments in excess of legal requirements, separation or termination pay allowances, moving expenses, etc.)	0.2	0.2	0.3	0.1	0.2	***	0.2	0.1	0.2	0.3	0.2	0.2	0.2	0.1	0.6	0.3	0.3	0.2	***	***	0.1	0.2	0.2	1.3
3. Paid rest periods, lunch periods, wash-up time, travel time, clothes-change time, get-ready time, etc.	3.6	3.5	3.6	3.7	2.8	3.4	5.3	4.1	3.0	3.4	3.4	3.7	3.1	3.6	3.7	3.3	3.6	3.5	4.1	3.7	4.2	4.0	3.0	3.8
4. Payments for time not worked	9.7	9.2	8.4	6.1	8.6	9.3	11.3	13.2	8.1	8.9	9.1	8.9	9.5	9.8	10.6	9.0	10.5	12.5	7.5	6.3	9.6	10.4	9.2	11.6
a. Paid vacations and payments in lieu of vacation	4.9	4.8	4.4	3.3	4.7	4.9	5.8	6.5	4.2	4.8	5.2	4.7	5.1	4.9	5.1	4.6	5.0	5.9	3.7	3.0	4.4	4.9	4.6	5.8
b. Payments for holidays not worked	3.2	3.3	2.9	2.4	3.1	3.0	3.5	3.4	3.1	3.0	3.3	3.4	3.6	3.5	4.3	3.2	3.1	3.5	2.7	2.2	3.1	3.6	2.3	3.4
c. Paid sick leave	1.2	0.8	0.9	0.3	0.4	1.1	1.6	3.0	0.6	0.8	0.3	0.5	0.6	1.0	0.9	0.9	1.9	2.2	0.9	1.0	1.8	1.6	1.9	2.1
d. Payments for State or National Guard duty; jury, witness, and voting pay allowances; payments for time lost due to death in family or other personal reasons, etc.	0.4	0.3	0.2	0.1	0.4	0.3	0.4	0.3	0.2	0.3	0.3	0.3	0.2	0.4	0.3	0.3	0.5	0.9	0.2	0.1	0.3	0.3	0.4	0.3
5. Other items	2.4	2.6	1.2	2.6	1.8	3.0	3.8	2.8	0.9	0.5	2.6	2.5	3.0	3.1	1.7	3.4	2.2	1.3	0.9	2.7	5.2	3.6	0.6	1.5
a. Profit-sharing payments	1.4	1.6	0.6	1.7	1.1	2.0	1.7	0.8	0.6	0.1	1.9	1.7	2.0	1.8	0.9	2.8	1.1	***	0.7	1.8	3.8	1.9	0.1	0.9
b. Contributions to employee thrift plans	0.3	0.2	***	0.1	0.1	0.2	1.3	1.7	***	0.1	***	0.1	0.2	0.2	0.3	0.1	0.4	0.8	0.1	0.2	0.4	0.6	***	0.1
c. Christmas or other special bonuses, service awards, suggestion awards, etc.	0.4	0.5	0.4	0.5	0.3	0.7	0.5	***	0.2	0.1	0.4	0.6	0.5	0.7	0.2	0.3	0.3	0.2	***	0.7	0.4	0.4	0.1	0.1
d. Employee education expenditures (tuition refunds, etc.)	0.1	0.1	0.1	0.1	***	0.1	0.1	0.1	***	0.1	***	***	0.1	0.1	0.1	0.2	0.2	0.1	***	***	0.5	0.4	0.3	0.2
e. Special wage payments ordered by courts, payments to union stewards, etc.	0.2	0.2	0.1	0.2	0.3	***	0.2	0.2	0.1	0.1	0.3	0.1	0.2	0.3	0.2	***	0.2	0.2	0.1	***	0.1	0.3	0.1	0.2

*Includes research, engineering, education, government agencies, mining, construction, etc.

**Figure is considerably less than legal rate, because most reporting companies had only a small proportion of employees covered by tax.

***Less than 0.05%.

TABLE 7. Employee Benefits as Cents per Payroll Hour, by Type of Benefit and Industry Groups, 1978

Type of benefit	Total, all industries	Manufacturing industries															Nonmanufacturing industries							
		Total, all manufacturing	Food, beverages, and tobacco	Textile products and apparel	Pulp, paper, lumber, and furniture	Printing and publishing	Chemicals and allied products	Petroleum industry	Rubber, leather, and plastic products	Stone, clay, and glass products	Primary metal industries	Fabricated metal products (excl. mach. and trans. equipment)	Machinery (excluding electrical)	Electrical machinery, equipment, and supplies	Transportation equipment	Instruments and miscellaneous manufacturing industries	Total, all nonmanufacturing	Public utilities (electric, gas, water, telephone, etc.)	Department stores	Trade (wholesale and other retail)	Banks, finance companies, and trust companies	Insurance companies	Hospitals	Miscellaneous nonmanufacturing industries*
Total employee benefits as cents per payroll hour	247.1	246.1	222.8	132.7	216.9	236.0	308.0	361.0	194.9	233.5	285.9	244.3	260.9	244.5	299.2	228.7	247.4	319.3	141.6	179.8	239.9	244.4	147.2	288.2
1. Legally required payments (employer's share only)	60.0	65.9	64.5	45.1	67.9	57.5	62.2	59.7	69.4	69.3	82.2	71.1	63.9	59.8	73.8	60.9	51.6	56.9	40.1	55.7	46.2	46.1	38.2	65.1
a. Old-Age, Survivors, Disability, and Health Insurance (FICA taxes)	37.6	37.5	36.7	27.0	35.4	37.8	39.5	44.5	35.3	36.3	39.5	36.2	38.7	37.4	42.5	35.6	37.8	42.0	25.6	34.8	34.0	35.2	31.2	42.7
b. Unemployment Compensation	11.2	13.6	11.4	10.7	17.3	12.0	10.9	5.9	13.7	13.2	14.6	14.0	12.6	13.2	15.0	17.3	7.6	6.6	9.9	11.0	10.8	8.8	2.1	10.1
c. Workers' compensation (including estimated cost of self-insured)	10.8	14.5	16.4	7.4	15.0	6.9	11.6	8.1	20.0	19.4	28.0	20.7	12.4	8.8	16.1	7.7	5.6	6.9	4.5	9.5	1.3	1.8	4.5	12.0
d. Railroad Retirement Tax, Railroad Unemployment and Cash Sickness Insurance, state sickness benefits insurance, etc.**	0.4	0.3	***	***	0.2	0.8	0.2	1.2	0.4	0.4	0.1	0.2	0.2	0.4	0.2	0.3	0.6	1.4	0.1	0.4	0.1	0.3	0.4	0.3
2. Pension, insurance, and other agreed-upon payments (employer's share only)	81.6	79.7	74.8	30.3	66.9	71.1	101.0	130.3	53.8	85.4	99.9	78.0	90.6	76.0	108.4	69.5	84.3	125.7	45.0	44.8	77.6	83.7	38.8	96.9
a. Pension plan premiums and pension payments not covered by insurance-type plan (net)	37.4	32.4	29.4	9.5	29.2	34.1	47.5	87.6	15.2	32.5	38.5	28.9	36.1	30.2	40.2	30.8	44.7	76.7	12.0	14.8	43.1	46.1	13.9	44.8
b. Life insurance premiums; death benefits; hospital, surgical, medical, and major medical insurance premiums, etc. (net)	37.2	41.7	38.4	19.4	33.7	32.5	42.9	38.4	35.7	47.3	55.4	43.7	48.4	40.3	57.6	33.8	30.8	41.2	13.7	24.7	28.5	27.5	19.3	36.3
c. Salary continuation or long term disability	2.0	1.9	2.1	0.3	1.3	1.9	3.5	1.9	1.1	1.3	1.7	1.8	2.6	2.2	2.1	1.5	2.1	2.8	0.7	0.6	1.5	2.8	1.5	1.7
d. Dental insurance premiums	1.5	1.7	2.2	0.2	0.8	1.3	4.3	0.1	0.6	2.0	2.3	1.7	1.9	1.7	4.1	0.7	1.1	1.8	0.7	1.4	0.3	0.6	0.4	2.0
e. Discounts on goods and services purchased from company by employees	0.7	0.3	0.8	0.6	***	0.6	0.3	0.6	0.2	0.3	***	0.1	***	0.2	0.3	0.4	1.3	0.7	17.6	1.8	0.3	0.3	0.9	0.8
f. Employee meals furnished by company	1.2	0.4	0.1	***	0.5	0.4	1.3	0.5	***	0.4	0.3	0.4	0.4	0.5	***	0.4	2.3	1.0	0.1	1.3	3.2	4.9	1.8	1.3
g. Miscellaneous payments (compensation payments in excess of legal requirements, separation or termination pay allowances, moving expenses, etc.)	1.6	1.3	1.8	0.3	1.4	0.3	1.2	1.2	1.0	1.6	1.7	1.4	1.2	0.9	4.1	1.9	2.0	1.5	0.2	0.2	0.7	1.5	1.0	10.0
3. Paid rest periods, lunch periods, wash-up time, travel time, clothes-change time, get-ready time, etc.	24.3	23.1	22.6	16.9	17.5	23.1	37.4	34.7	18.1	21.3	23.4	23.2	20.8	24.0	27.7	20.5	25.0	27.6	18.6	22.9	25.4	25.6	16.5	28.1
4. Payments for time not worked	65.4	60.9	53.4	28.3	53.4	63.8	80.2	112.1	47.9	55.2	62.7	55.8	65.6	64.5	77.5	56.6	72.0	99.4	33.5	39.3	58.6	66.3	50.3	86.7
a. Paid vacations and payments in lieu of vacation	32.9	31.9	28.1	15.2	29.3	33.9	41.2	55.6	25.0	29.7	35.7	29.5	34.8	32.0	37.4	28.8	34.4	46.8	16.8	18.6	26.8	31.0	25.0	43.1
b. Payments for holidays not worked	21.7	22.0	18.6	11.2	19.4	20.4	24.8	28.7	18.3	18.7	22.7	21.8	24.8	23.3	31.6	20.2	21.3	27.9	12.1	13.9	19.2	22.8	12.4	25.1
c. Paid sick leave	8.3	5.2	5.6	1.4	2.3	7.3	11.4	25.6	3.5	4.8	2.2	2.9	4.4	6.7	6.6	5.6	12.9	17.8	3.9	6.3	10.7	10.3	10.5	16.0
d. Payments for State or National Guard duty; jury, witness, and voting pay allowances; payments for time lost due to death in family or other personal reasons, etc.	2.5	1.8	1.1	0.5	2.4	2.2	2.8	2.2	1.1	2.0	2.1	1.6	1.6	2.5	1.9	2.0	3.4	6.9	0.7	0.5	1.9	2.2	2.4	2.5
5. Other items	15.8	16.5	7.5	12.1	11.2	20.5	27.2	24.2	5.7	2.3	17.7	16.2	20.0	20.2	11.8	21.2	14.5	9.7	4.4	17.1	32.1	22.7	3.4	11.4
a. Profit-sharing payments	9.1	10.4	3.8	8.1	6.8	13.8	12.2	7.1	3.4	0.4	12.9	10.7	13.5	11.7	6.3	17.4	7.3	0.2	3.4	11.2	23.0	12.3	0.7	7.0
b. Contributions to employee thrift plans	2.1	1.5	0.2	0.5	0.5	1.3	9.5	14.6	0.2	0.3	0.1	0.8	1.1	1.0	2.3	0.5	2.8	6.0	0.3	1.2	2.6	3.6	0.1	0.5
c. Christmas or other special bonuses, service awards, suggestion awards, etc.	2.5	3.0	2.4	2.2	2.1	4.8	3.2	0.4	1.5	0.8	2.9	3.9	3.7	4.8	1.3	1.9	1.7	1.3	0.2	4.3	2.5	2.7	0.4	0.8
d. Employee education expenditures (tuition refunds, etc.)	1.0	0.5	0.6	0.3	0.2	0.5	0.7	0.5	0.2	0.5	0.1	0.3	0.5	0.7	0.4	1.2	1.6	0.8	***	0.3	3.3	2.3	1.9	1.3
e. Special wage payments ordered by courts, payments to union stewards, etc.	1.1	1.1	0.5	1.0	1.6	0.1	1.6	1.6	0.4	0.3	1.7	0.5	1.2	2.0	1.5	0.2	1.1	1.4	0.5	0.1	0.7	1.8	0.3	1.8

*Includes research, engineering, education, government agencies, mining, construction, etc.
**Figure is considerably less than legal rate, because most reporting companies had only a small proportion of employees covered by tax.
***Less than 0.05¢.

TABLE 8. Employee Benefits as Dollars per Year per Employee, by Type of Benefit and Industry Groups, 1978

Type of benefit	Total, all industries	Manufacturing industries															Nonmanufacturing industries							
		Total, all manufacturing	Food, beverages, and tobacco	Textile products and apparel	Pulp, paper, lumber, and furniture	Printing and publishing	Chemicals and allied products	Petroleum industry	Rubber, leather, and plastic products	Stone, clay, and glass products	Primary metal industries	Fabricated metal products (excl. mach. and trans. equipment)	Machinery (excluding electrical)	Electrical machinery, equipment, and supplies	Transportation equipment	Instruments and miscellaneous manufacturing industries	Total, all nonmanufacturing	Public utilities (electric, gas, water, telephone, etc.)	Department stores	Trade (wholesale and other retail)	Banks, finance companies, and trust companies	Insurance companies	Hospitals	Miscellaneous nonmanufacturing industries*
Total employee benefits as dollars per year per employee	5,138	5,164	4,713	2,786	4,611	4,734	6,459	7,715	4,042	4,903	5,875	5,099	5,568	5,103	6,321	4,839	5,083	6,681	2,866	3,719	4,886	4,790	3,052	5,918
1. Legally required payments (employer's share only)	1,249	1,382	1,365	947	1,443	1,152	1,306	1,275	1,442	1,454	1,690	1,482	1,363	1,250	1,557	1,289	1,061	1,189	812	1,153	941	904	792	1,336
a. Old-Age, Survivors, Disability, and Health Insurance (FICA taxes)	783	787	776	567	754	759	829	952	732	762	812	755	826	782	897	754	776	877	519	719	693	690	647	877
b. Unemployment Compensation	232	285	242	224	367	240	229	126	285	276	300	291	268	275	316	366	157	139	201	228	219	172	42	208
c. Workers' compensation (including estimated cost of self-insured)	225	304	347	156	318	136	243	172	416	408	577	432	265	184	340	162	115	144	91	197	27	36	94	245
d. Railroad Retirement Tax, Railroad Unemployment and Cash Sickness Insurance, state sickness benefits insurance, etc.**	9	6	***	***	4	15	5	25	9	8	1	4	4	9	4	7	13	29	1	9	2	6	9	6
2. Pension, insurance, and other agreed-upon payments (employer's share only)	1,697	1,675	1,584	636	1,421	1,426	2,116	2,784	1,116	1,793	2,052	1,633	1,937	1,585	2,291	1,472	1,731	2,631	911	927	1,580	1,639	805	1,990
a. Pension plan premiums and pension payments not covered by insurance-type plan (net)	779	681	622	200	621	683	996	1,871	315	681	791	603	770	631	848	652	918	1,604	243	307	878	904	287	920
b. Life insurance premiums; death benefits; hospital, surgical, medical, and major medical insurance premiums, etc. (net)	774	875	812	408	716	653	900	821	740	994	1,138	913	1,035	842	1,217	715	633	863	278	511	580	538	401	746
c. Salary continuation or long term disability	41	40	45	6	28	38	73	40	22	28	36	39	56	46	45	33	43	58	14	13	30	56	31	36
d. Dental insurance premiums	30	36	46	3	16	25	89	2	13	42	46	36	40	34	86	14	22	38	15	29	6	11	9	41
e. Discounts on goods and services purchased from company by employees	15	6	17	13	1	12	6	13	5	6	***	3	1	4	7	8	28	16	355	37	7	5	20	15
f. Employee meals furnished by company	24	9	3	***	10	8	28	11	1	8	6	9	9	11	1	9	46	20	2	27	65	96	37	27
g. Miscellaneous payments (compensation payments in excess of legal requirements, separation or termination pay allowances, moving expenses, etc.)	34	28	39	6	29	6	24	26	20	34	35	30	26	17	87	41	41	32	4	3	14	29	20	205
3. Paid rest periods, lunch periods, wash-up time, travel time, clothes-change time, get-ready time, etc.	504	483	479	355	373	463	783	742	375	447	480	484	444	501	586	433	513	577	377	476	518	504	343	578
4. Payments for time not worked	1,362	1,277	1,130	594	1,136	1,279	1,682	2,397	993	1,159	1,287	1,164	1,398	1,346	1,637	1,196	1,480	2,081	679	810	1,192	1,301	1,041	1,780
a. Paid vacations and payments in lieu of vacation	684	669	595	319	624	679	865	1,189	517	624	734	615	743	668	790	610	705	979	341	384	545	610	519	886
b. Payments for holidays not worked	452	461	393	236	412	409	520	613	380	393	466	454	526	487	668	427	439	584	245	287	390	446	256	515
c. Paid sick leave	174	106	119	29	48	147	239	547	72	101	44	61	93	140	139	118	265	373	78	130	219	202	217	328
d. Payments for State or National Guard duty; jury, witness, and voting pay allowances; payments for time lost due to death in family or other personal reasons, etc.	52	39	23	10	52	44	58	48	24	41	43	34	34	51	40	41	71	145	15	9	38	43	49	51
5. Other items	326	347	155	254	238	414	572	517	116	50	366	336	426	421	250	449	298	203	87	353	655	442	71	234
a. Profit-sharing payments	189	218	81	169	145	277	257	152	71	9	265	224	288	244	133	369	149	5	68	233	468	241	15	144
b. Contributions to employee thrift plans	43	32	3	11	11	27	199	312	4	7	3	16	24	22	49	10	58	126	6	25	52	70	2	10
c. Christmas or other special bonuses, service awards, suggestion awards, etc.	52	64	50	47	45	97	67	8	30	17	60	80	78	99	28	40	35	26	4	89	53	52	9	17
d. Employee education expenditures (tuition refunds, etc.)	20	10	11	6	3	10	14	10	4	10	3	6	11	14	8	25	34	17	***	5	68	45	39	26
e. Special wage payments ordered by courts, payments to union stewards, etc.	22	23	10	21	34	3	35	35	7	7	35	10	25	42	32	5	22	29	9	1	14	34	6	37

*Includes research, engineering, education, government agencies, mining, construction, etc.

**Figure is considerably less than legal rate, because most reporting companies had only a small proportion of employees covered by tax.

***Less than 50¢.

6. REGIONAL VARIATIONS

Benefit payments by region for the various industry groups are shown in Table 9. The regions are based upon United States Bureau of the Census divisions. States comprising each region are listed in a footnote following the table. If fewer than three companies reported, no figure is shown.

For all industries, payments averaged 38.7 percent of payroll in the East North Central region, followed by 37.7 percent in the Northeastern region.

The Western Region averaged 35.8 percent, and the Southeastern region averaged 33.5 percent.

TABLE 9. Employee Benefits as Percent of Payroll, by Region and Industry Groups, 1978

Industry group	Total, all regions*	Northeast*	East North Central*	Southeast*	West*
Total, all industries	36.9	37.7	38.7	33.5	35.8
Total, all manufacturing	37.4	38.4	39.6	32.7	36.1
Manufacture of:					
Food, beverages, and tobacco	35.0	31.1	42.9	31.9	38.8
Textile products and apparel	28.8	35.9	34.3	26.1	**
Pulp, paper, lumber, and furniture	34.4	39.2	33.3	30.6	36.9
Printing and publishing	34.3	33.9	35.4	34.0	35.1
Chemicals and allied products	43.4	42.8	47.7	41.2	45.0
Petroleum industry	42.3	**	**	41.9	41.4
Rubber, leather, and plastic products	32.6	32.6	35.8	28.3	32.9
Stone, clay, and glass products	37.7	46.5	35.2	33.3	37.9
Primary metal industries	41.6	42.4	43.0	36.7	**
Fabricated metal products (excluding machinery and transportation equipment)	38.7	40.2	41.7	33.7	33.5
Machinery (excluding electrical)	38.4	37.6	38.9	31.6	35.1
Electrical machinery, equipment, and supplies	37.1	40.6	38.4	28.5	33.0
Transportation equipment	40.5	37.9	42.3	37.3	36.7
Instruments and miscellaneous manufacturing industries	36.4	37.7	31.2	42.2	32.5
Total, all nonmanufacturing	36.1	36.7	37.1	34.3	35.5
Public utilities (electric, gas, water, telephone, etc.)	40.2	41.9	40.9	38.8	39.9
Department stores	31.5	**	34.7	27.5	32.8
Trade (wholesale and other retail)	28.9	28.5	33.0	24.5	29.1
Banks, finance companies, and trust companies	39.2	40.5	43.4	34.6	38.3
Insurance companies	38.2	40.1	37.4	36.5	38.5
Hospitals	27.1	27.0	31.0	24.8	25.5
Miscellaneous nonmanufacturing industries (research, engineering, construction, transportation, mining, hotels, etc.)	38.6	34.7	40.5	36.0	38.4
Number of companies	858	234	252	172	200

**States in each region are:*

NORTHEAST: Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.

EAST NORTH CENTRAL: Illinois, Indiana, Michigan, Ohio, and Wisconsin.

SOUTHEAST: Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

WEST: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, and Wyoming.

***Fewer than three companies reporting.*

7. SIZE OF COMPANY VARIATIONS

Larger firms tended to pay higher benefits than smaller firms, as shown in Table 10.

Companies with 5,000 or more employees paid 40.8 percent for benefits, firms with 2,500 to 4,999 employees averaged 39.4 percent, and those employing 1,000 to 2,499 paid 36.5 percent. Companies with 500 to 999 employees paid 35.9 percent, and those employing under 500 averaged 35.3 percent.

TABLE 10. Employee Benefits as Percent of Payroll, by Size of Company and Industry Groups, 1978

Industry group	Total all companies	Number of employees				
		Under 500	500-999	1,000-2,499	2,500-4,999	5,000 and over
Total, all industries	36.9	35.3	35.9	36.5	39.4	40.8
Total, all manufacturing	37.4	35.2	37.4	37.8	42.4	42.1
Manufacture of:						
Food, beverages, and tobacco	35.0	31.8	39.2	48.6	*	*
Textile products and apparel	28.8	30.9	25.4	*	*	25.4
Pulp, paper, lumber, and furniture	34.4	32.6	33.9	36.0	*	38.0
Printing and publishing	34.3	34.3	32.9	37.3	*	*
Chemicals and allied products	43.4	41.3	39.2	*	46.4	48.2
Petroleum industry	42.3	*	*	*	*	44.4
Rubber, leather, and plastic products	32.6	31.3	33.4	35.2	*	*
Stone, clay, and glass products	37.7	37.2	38.7	*	*	*
Primary metal industries	41.6	39.8	43.0	35.8	49.1	*
Fabricated metal products (excluding machinery and transportation equipment)	38.7	38.1	35.4	44.9	44.2	*
Machinery (excluding electrical)	38.4	36.1	35.4	39.7	40.9	42.7
Electrical machinery, equipment, and supplies	37.1	31.2	42.2	35.5	46.1	38.4
Transportation equipment	40.5	35.4	42.2	38.4	39.7	44.9
Instruments and miscellaneous manufacturing industries	36.4	35.3	34.7	28.5	*	39.7
Total, all nonmanufacturing	36.1	35.4	33.8	35.7	37.3	39.0
Public utilities (electric, gas, water, telephone, etc.)	40.2	40.1	40.4	40.6	38.6	41.8
Department stores	31.5	*	*	*	32.1	*
Trade (wholesale and other retail)	28.9	28.7	25.0	*	*	32.6
Banks, finance companies, and trust companies	39.2	39.0	39.3	36.6	44.5	40.5
Insurance companies	38.2	39.8	37.3	38.5	39.3	36.8
Hospitals	27.1	25.3	27.7	27.7	24.6	*
Miscellaneous nonmanufacturing industries (research, engineering, education, government agencies, mining, construction, etc.)	38.6	36.4	41.9	38.6	37.2	36.7
Number of companies	858	334	161	171	94	98

*Fewer than three companies reporting.

8. PENSION AND INSURANCE COSTS

Due to the wide interest in private pension and insurance programs, tabulations are included showing distributions of amounts paid by individual companies for these programs, and also average employee payroll deductions for pensions and insurance. Employer payments are net amounts after deducting any dividends or credits returned to the employer by the insurer.

As shown in Table 11, 93 firms, or 11 percent of those

TABLE 11. Pension* Payments, by Industry Groups, 1978

Industry group	Total companies in survey	Number of companies paying specified percent of payroll for pensions									Pension payments as percent of payroll				Average pension payments as percent of payroll for companies having pensions
		0%	0.1-1.9%	2.0-3.9%	4.0-5.9%	6.0-7.9%	8.0-9.9%	10.0-11.9%	12.0-13.9%	14.0% and over	Total	Premiums under insurance and annuity contracts	Payments to uninsured trusteed pension plans	Payments under unfunded pension plans	
Total, all industries	858	93	69	179	180	122	87	69	22	37	5.6	3.2	2.2	0.2	6.3
Total, all manufacturing	497	61	39	119	121	69	34	31	11	12	4.9	2.6	2.1	0.2	5.6
Manufacture of:															
Food, beverages, and tobacco	28	3	...	8	8	6	2	1	...	...	4.6	2.5	2.1	**	5.2
Textile products and apparel	26	5	7	11	3	...	...	...	...	...	2.1	1.0	0.8	0.3	2.5
Pulp, paper, lumber, and furniture	33	3	2	9	9	7	1	1	1	...	4.6	3.1	1.0	0.5	5.1
Printing and publishing	32	2	2	7	13	3	4	1	...	...	4.9	3.3	1.6	**	5.3
Chemicals and allied products	30	1	2	...	10	5	6	3	2	1	6.7	4.4	2.2	0.1	6.9
Petroleum industry	11	...	...	1	...	2	1	5	...	2	10.3	3.3	6.1	0.9	10.3
Rubber, leather, and plastic products	24	5	4	10	3	2	...	...	...	...	2.5	1.9	0.6	**	3.3
Stone, clay, and glass products	20	1	2	5	6	1	3	2	...	...	5.2	2.4	2.8	**	5.5
Primary metal industries	36	5	4	6	7	4	3	4	...	3	5.6	2.9	2.7	**	6.5
Fabricated metal products (excluding machinery and transportation equipment)	58	10	4	17	12	6	1	5	2	1	4.6	2.4	2.2	**	5.5
Machinery (excluding electrical)	81	9	3	18	21	16	6	1	5	2	5.3	2.6	2.6	0.1	6.0
Electrical machinery, equipment, and supplies	56	12	2	11	16	7	2	4	...	2	4.6	2.5	2.0	0.1	5.8
Transportation equipment	28	2	2	9	4	4	3	4	...	...	5.4	2.4	2.6	0.4	5.8
Instruments and miscellaneous manufacturing industries	34	3	5	7	9	6	2	...	1	1	4.9	2.6	1.8	0.5	5.4
Total, all nonmanufacturing	361	32	30	60	59	53	53	38	11	25	6.5	4.0	2.3	0.2	7.2
Public utilities (electric, gas, water, telephone, etc.)	113	2	...	3	10	24	29	21	8	16	9.6	5.9	3.5	0.2	9.8
Department stores	11	1	3	4	3	...	...	...	...	...	2.7	1.3	1.3	0.1	2.9
Trade (wholesale and other retail)	27	9	3	7	6	1	1	...	...	...	2.4	1.5	0.8	0.1	3.5
Banks, finance companies, and trust companies	41	3	1	6	6	10	6	6	...	3	7.0	2.7	4.1	0.2	7.6
Insurance companies	64	3	2	4	16	14	13	8	1	3	7.2	5.5	1.6	0.1	7.6
Hospitals	65	4	18	35	7	1	...	...	...	...	2.6	1.9	0.7	**	2.7
Miscellaneous nonmanufacturing industries (research, engineering, education, government agencies, mining, construction, etc.)	40	10	3	1	11	3	4	3	2	3	6.0	3.1	2.3	0.6	8.0

*Includes net pension-plan premiums and pension payments not covered by insurance-type plan.

**Less than 0.05%.

surveyed, reported no payments for private pensions, while 37 companies paid amounts for pensions equaling 14 per cent or more of payroll. Pension payments for all companies surveyed averaged 5.6 percent of payroll (the figure shown in Tables 4 and 6), but if companies reporting no pension payments are omitted, the average becomes 6.3 percent of payroll.

The average pension payment of 5.6 percent included 3.2 percent for premiums under insurance or annuity contracts, 2.2 percent for payments to uninsured trusteed pension plans, and 0.2 percent for payments under unfunded pension plans.

Among the manufacturing industries 12 percent of the firms reported no pension payments, while among the nonmanufacturing firms 9 percent reported no pension payments. Eleven percent of the manufacturing firms paid 10 percent or more of payroll for pensions, while 20 percent of the nonmanufacturing firms paid 10 percent or more.

The distribution of insurance payments by industry groups is shown in Table 12. Payments for insurance were reported by all but three of the manufacturing firms and by all but four of the nonmanufacturing firms. The most frequent amount paid for insurance was 4.0 to 5.9 percent of payroll. Sixty firms reported insurance payments amounting to 10 percent or more of payroll.

Insurance payments averaged 5.6 percent of payroll, including 0.7 percent for life insurance, 4.4 percent for health insurance, and 0.5 percent not separated between life and health, as shown in Table 13. Eighty-five percent of the companies reported payments for life insurance, 91 percent reported payments for health insurance, and 8 percent reported combined payments for life and health insurance.

Employee payroll deductions for private pension programs were reported by 17 percent of the companies, including 14 percent of those in manufacturing and 22 percent of the nonmanufacturing firms, as shown in Table 14. Deductions were reported by 38 percent of miscel-

TABLE 12. Insurance* Payments, by Industry Groups, 1978

Industry group	Total companies in survey	Number of companies paying specified percent of payroll for insurance									Average insurance payments as percent of payroll	
		0%	0.1-1.9%	2.0-3.9%	4.0-5.9%	6.0-7.9%	8.0-9.9%	10.0-11.9%	12.0-13.9%	14.0% and over	All companies	Companies having insurance
Total, all industries	858	7	41	200	288	194	68	33	21	6	5.6	5.6
Total, all manufacturing	497	3	16	73	153	145	53	31	18	5	6.3	6.4
Manufacture of:												
Food, beverages, and tobacco	28	...	...	6	10	7	2	2	1	...	6.0	6.0
Textile products and apparel	26	1	3	11	7	3	...	...	1	...	4.2	4.4
Pulp, paper, lumber, and furniture	33	...	3	3	15	8	4	...	...	...	5.3	5.3
Printing and publishing	32	1	...	11	15	4	1	...	...	...	4.7	4.9
Chemicals and allied products	30	1	...	2	11	13	1	2	...	...	6.1	6.2
Petroleum industry	11	...	...	2	8	1	...	...	...	...	4.5	4.5
Rubber, leather, and plastic products	24	...	2	3	5	11	3	...	...	...	6.0	6.0
Stone, clay, and glass products	20	...	1	1	2	9	2	2	3	...	7.6	7.6
Primary metal industries	36	...	...	4	6	8	6	9	2	1	8.1	8.1
Fabricated metal products (excluding machinery and transportation equipment)	58	...	1	6	17	16	10	5	2	1	6.9	6.9
Machinery (excluding electrical)	81	...	2	4	20	31	11	7	6	...	7.1	7.1
Electrical machinery, equipment, and supplies	56	...	4	11	17	14	5	1	2	2	6.1	6.1
Transportation equipment	28	...	...	1	5	12	7	1	1	1	7.8	7.8
Instruments and miscellaneous manufacturing industries	34	...	...	8	15	8	1	2	...	...	5.4	5.4
Total, all nonmanufacturing	361	4	25	127	135	49	15	2	3	1	4.5	4.5
Public utilities (electric, gas, water, telephone, etc)	113	...	1	26	55	22	7	1	1	...	5.2	5.2
Department stores	11	...	4	5	...	1	1	...	...	...	3.1	3.1
Trade (wholesale and other retail)	27	3	1	9	7	6	1	...	...	...	4.0	4.5
Banks, finance companies, and trust companies	41	...	2	16	15	6	2	...	...	...	4.7	4.7
Insurance companies	64	...	3	29	26	4	1	...	1	...	4.3	4.3
Hospitals	65	...	10	30	19	4	2	...	...	...	3.6	3.6
Miscellaneous nonmanufacturing industries (research, engineering, education, government agencies, mining, construction, etc.)	40	1	4	12	13	6	1	1	1	1	4.9	5.0

**Includes net premiums paid for life, hospital, surgical, medical, and major medical insurance, plus death, surgical, and medical care payments not insured. Does not include sick leave pay.*

laneous nonmanufacturing industry firms, but by none of the department stores.

While deductions for pensions averaged 0.2 percent of payroll for all companies in the survey (as shown in Table 17), they averaged 1.4 percent of payroll for those companies having deductions.

Payroll deductions for insurance were reported by 68 percent of the companies, including 58 percent of the manufacturing firms and 82 percent of the nonmanufacturing firms. Deductions were reported by all of the petroleum companies, but by only 33 percent of the primary metal firms. Insurance deductions averaged 0.9 percent of payroll for all firms in the survey, but were 1.3 percent for those firms having deductions.

TABLE 13. Insurance Payments, by Type of Insurance, 1978

Industry group	Average insurance payments as percent of payroll, all companies				Percent of companies reporting insurance payments			Average for companies reporting specific type of insurance payments		
	Total	Life	Health	L&H*	Life	Health	L&H*	Life	Health	L&H*
Total, all industries	5.6	0.7	4.4	0.5	85	91	8	0.8	4.8	6.3
Total, all manufacturing	6.3	0.7	4.9	0.7	83	89	9	0.8	5.6	7.6
Manufacture of:										
Food, beverages, and tobacco	6.0	0.4	4.6	1.0	68	82	18	0.6	5.6	5.5
Textile products and apparel	4.2	0.5	3.4	0.3	77	81	12	0.6	4.3	2.3
Pulp, paper, lumber, and furniture	5.3	0.5	3.8	1.0	85	85	15	0.6	4.4	6.9
Printing and publishing	4.7	0.6	3.6	0.5	88	88	9	0.7	4.1	5.3
Chemicals and allied products	6.1	0.9	5.0	0.2	83	93	3	1.1	5.3	7.4
Petroleum industry	4.5	0.9	3.6	**	100	100	0	0.9	3.6	**
Rubber, leather, and plastic products	6.0	0.6	5.1	0.3	79	96	4	0.7	5.3	9.0
Stone, clay, and glass products	7.6	0.8	5.6	1.2	80	85	15	1.1	6.5	8.0
Primary metal industries	8.1	0.7	5.8	1.6	75	83	17	0.9	7.0	9.3
Fabricated metal products (excluding machinery and transportation equipment)	6.9	0.6	5.5	0.8	88	90	9	0.7	6.1	8.9
Machinery (excluding electrical)	7.1	0.8	5.6	0.7	84	89	10	0.9	6.2	7.5
Electrical machinery, equipment, and supplies	6.1	0.7	5.1	0.3	82	95	5	0.8	5.4	6.2
Transportation equipment	7.8	0.8	5.7	1.3	86	86	14	1.0	6.6	9.4
Instruments and miscellaneous manufacturing industries	5.4	0.5	4.9	**	91	100	0	0.6	4.9	**
Total, all nonmanufacturing	4.5	0.7	3.5	0.3	89	93	6	0.8	3.8	4.2
Public utilities (electric, gas, water, telephone, etc.)	5.2	0.9	4.2	0.1	92	98	2	1.0	4.3	5.7
Department stores	3.1	0.3	2.2	0.6	73	73	27	0.3	3.1	2.1
Trade (wholesale and other retail)	4.0	0.3	2.8	0.9	59	70	19	0.5	4.0	4.7
Banks, finance and trust companies	4.7	0.8	3.8	0.1	98	98	2	0.9	3.8	4.5
Insurance companies	4.3	1.0	3.1	0.2	94	95	5	1.0	3.3	3.3
Hospitals	3.6	0.3	3.3	**	94	95	0	0.3	3.5	**
Miscellaneous nonmanufacturing industries (research, engineering, education, government agencies, mining, construction, etc.)	4.9	0.7	3.4	0.8	78	83	15	0.9	4.0	5.5

Companies reporting one payment for both life and health insurance (items C-4 through C-7 of questionnaire).

***No companies reported this type of payment.*

TABLE 14. Employee Payroll Deductions for Pensions and Insurance, 1978

Industry group	Pensions			Insurance		
	Percent of companies reporting deductions	Average deductions as percent of payroll		Percent of companies reporting deductions	Average deductions as percent of payroll	
		Total, all companies	Companies having deductions		Total, all companies	Companies having deductions
Total, all industries	17	0.2	1.4	68	0.9	1.3
Total, all manufacturing	14	0.1	1.0	58	0.7	1.1
Manufacture of:						
Food, beverages, and tobacco	15	0.1	0.9	63	1.1	1.8
Textile products and apparel	35	0.4	1.1	85	1.5	1.8
Pulp, paper, lumber, and furniture	3	*	1.0	48	0.5	1.0
Printing and publishing	23	0.2	0.7	77	0.9	1.2
Chemicals and allied products	11	0.1	1.0	61	0.7	1.1
Petroleum industry	27	0.2	0.6	100	1.7	1.7
Rubber, leather, and plastic products	9	*	0.4	70	0.5	0.8
Stone, clay, and glass products	5	*	0.4	60	1.0	1.7
Primary metal industries	8	0.1	1.3	33	0.2	0.5
Fabricated metal products (excluding machinery and transportation equipment)	9	0.1	1.0	45	0.4	0.9
Machinery (excluding electrical)	15	0.2	1.0	49	0.4	0.8
Electrical machinery, equipment, and supplies	19	0.3	1.4	68	0.7	1.1
Transportation equipment	15	0.1	0.5	50	0.4	0.7
Instruments and miscellaneous manufacturing industries	15	0.1	0.7	56	0.6	1.1
Total, all nonmanufacturing	22	0.4	1.8	82	1.2	1.5
Public utilities (electric, gas, water, telephone, etc.)	20	0.3	1.6	79	1.2	1.6
Department stores	0	*	*	64	1.0	1.5
Trade (wholesale and other retail)	19	0.4	1.9	62	1.0	1.6
Banks, finance companies, and trust companies	15	0.4	2.8	90	1.3	1.5
Insurance companies	11	0.1	1.1	93	1.5	1.6
Hospitals	37	0.3	0.9	87	1.0	1.2
Miscellaneous nonmanufacturing industries (research, engineering, education, government agencies, mining, construction, etc.)	38	1.2	3.1	73	1.4	1.9

*Less than 0.05%.

9. PERCENT OF COMPANIES PAYING EMPLOYEE BENEFITS

Payments for Old-Age, Survivors, Disability, and Health Insurance (FICA taxes) were reported by almost all companies surveyed, and 99 percent of the companies reported payments for Unemployment Compensation and nongovernment insurance (Table 15). Ninety-eight percent reported payments for vacations and for holidays.

Paid sick leave was reported by 77 percent of the companies, including 62 percent of those in manufacturing and 97 percent of the nonmanufacturing firms. Profit-sharing payments were reported by 21 percent of the firms, including 55 percent of the banks, finance companies, and trust companies and 42 percent of the textile products and apparel firms, but by only 2 percent of the public utility companies and hospitals.

Average costs of benefit payments for companies reporting such payments are shown in Table 16. Payments for dental insurance, profit-sharing, contributions to employee thrift plans, and other benefits paid by a relatively small percentage of companies differ significantly in this table from the all-company averages shown in Table 6.

TABLE 15. Percent of Companies Paying Employee Benefits, 1978

Type of benefit	Total, all industries	Manufacturing industries															Nonmanufacturing industries							
		Total, all manufacturing	Food, beverages, and tobacco	Textile products and apparel	Pulp, paper, lumber, and furniture	Printing and publishing	Chemicals and allied products	Petroleum industry	Rubber, leather, and plastic products	Stone, clay, and glass products	Primary metal industries	Fabricated metal products (excl. mach. and trans. equipment)	Machinery (excluding electrical)	Electrical machinery, equipment, and supplies	Transportation equipment	Instruments and miscellaneous manufacturing industries	Total, all nonmanufacturing	Public utilities (electric, gas, water, telephone, etc.)	Department stores	Trade (wholesale and other retail)	Banks, finance companies, and trust companies	Insurance companies	Hospitals	Miscellaneous nonmanufacturing industries*
1. Legally required payments (employer's share only):																								
a. Old-Age, Survivors, Disability, and Health Insurance (FICA taxes)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
b. Unemployment Compensation	99	100	100	100	100	100	100	100	100	100	100	100	99	100	100	100	97	98	100	100	100	100	89	98
c. Workers' compensation (including estimated cost of self-insured)	96	96	96	96	100	87	100	91	100	95	97	98	97	94	96	94	95	99	82	85	93	95	92	100
d. Railroad Retirement Tax, Railroad Unemployment and Cash Sickness insurance, state sickness benefits insurance, etc.**	9	8	4	4	6	23	14	18	13	10	6	4	5	11	4	6	11	7	9	19	3	18	13	8
2. Pension, insurance, and other agreed-upon payments (employer's share only):																								
a. Pension plan premiums and pension payments not covered by insurance-type plan (net)	89	88	89	81	91	94	97	100	79	95	86	83	89	79	93	91	91	98	91	67	93	95	94	75
b. Life insurance premiums, death benefits; hospital, surgical, medical, and major medical insurance premiums,etc. (net)	99	99	100	96	100	97	97	100	100	100	100	100	100	100	100	100	99	100	100	89	100	100	100	98
c. Salary continuation or long term disability	48	39	33	23	32	43	50	55	26	30	28	39	46	42	35	53	60	54	36	35	70	79	57	60
d. Dental insurance premiums	27	28	37	8	16	33	54	9	17	30	25	30	29	32	42	15	24	31	9	35	15	13	19	37
e. Discounts on goods and services purchased from company by employees	16	11	7	35	6	17	21	18	9	10	0	9	5	13	12	12	24	20	100	19	13	21	40	10
f. Employee meals furnished by company	21	13	7	0	19	10	43	36	4	15	11	9	9	17	4	12	32	24	18	15	45	52	30	30
g. Miscellaneous payments (compensation payments in excess of legal requirements, separation or termination pay allowances, moving expenses, etc.)	26	25	30	19	10	20	25	27	22	25	17	20	26	34	42	35	27	36	18	12	23	30	16	28
3. Paid rest periods, lunch periods, wash-up time, travel time, clothes-change time, get-ready time, etc.	81	80	78	69	68	73	93	73	70	60	78	89	85	85	85	82	82	83	100	81	90	89	65	80
4. Payments for time not worked:																								
a. Paid vacations and payments in lieu of vaction	98	98	89	96	94	97	96	100	96	95	100	100	100	100	100	97	97	100	100	81	100	100	97	93
b. Payments for holidays not worked	98	99	93	100	97	100	96	100	100	100	100	96	100	98	100	100	97	100	100	88	100	100	90	93
c. Paid sick leave	77	62	67	50	35	80	89	100	70	65	25	46	58	79	69	79	97	100	100	77	100	97	98	93
d. Payments for State or National Guard duty; jury, witness, and voting pay allowances; payments for time lost due to death in family or other personal reasons, etc.	73	74	56	58	68	70	86	91	70	65	69	73	83	74	88	74	73	93	55	46	58	72	67	68
5. Other items:																								
a. Profit-sharing payments	21	24	15	42	19	37	18	18	9	5	19	30	19	34	8	41	16	2	18	35	55	28	2	10
b. Contributions to employee thrift plans	18	13	7	12	3	17	54	64	9	5	3	5	13	9	23	9	23	42	9	12	15	33	3	8
c. Christmas or other special bonuses, service awards, suggestion awards, etc.	46	47	33	50	32	57	61	27	39	20	47	46	45	60	50	56	45	38	27	50	43	70	38	37
d. Employee education expenditures (tuition refunds, etc.)	46	32	11	27	16	40	39	45	26	30	17	25	35	51	31	50	65	49	0	27	98	87	81	53
e. Special wage payments ordered by courts, payments to union stewards, etc.	34	34	22	31	19	10	50	36	26	20	33	36	45	51	54	15	33	42	18	4	23	49	21	33

*Includes research, engineering, education, government agencies, mining, construction, etc.

TABLE 16. Average Benefit Costs as Percent of Payroll for Companies Paying Employee Benefits, 1978

Type of benefit	Total, all industries	Manufacturing industries															Nonmanufacturing industries							
		Total, all manufacturing	Food, beverages, and tobacco	Textile products and apparel	Pulp, paper, lumber, and furniture	Printing and publishing	Chemicals and allied products	Petroleum industry	Rubber, leather, and plastic products	Stone, clay, and glass products	Primary metal industries	Fabricated metal products (excl. mach. and trans. equipment)	Machinery (excluding electrical)	Electrical machinery, equipment, and supplies	Transportation equipment	Instruments and miscellaneous manufacturing industries	Total, all nonmanufacturing	Public utilities (electric, gas, water, telephone, etc.)	Department stores	Trade (wholesale and other retail)	Banks, finance companies, and trust companies	Insurance companies	Hospitals	Miscellaneous nonmanufacturing industries*
1. Legally required payments (employer's share only):																								
a. Old-Age, Survivors, Disability, and Health Insurance (FICA taxes)	5.6	5.7	5.8	5.9	5.6	5.5	5.6	5.2	5.9	5.9	5.8	5.7	5.7	5.7	5.7	5.7	5.5	5.3	5.7	5.6	5.6	5.5	5.7	5.7
b. Unemployment Compensation	1.7	2.1	1.8	2.3	2.7	1.7	1.5	0.7	2.3	2.1	2.1	2.2	1.9	2.0	2.0	2.7	1.1	0.9	2.2	1.8	1.8	1.4	0.4	1.4
c. Workers' compensation (including estimated cost of self-insured)	1.7	2.3	2.7	1.7	2.4	1.1	1.6	1.0	3.3	3.3	4.2	3.3	1.9	1.4	2.3	1.3	0.9	0.9	1.2	1.8	0.2	0.3	0.9	1.6
d. Railroad Retirement Tax, Railroad Unemployment and Cash Sickness Insurance, state sickness benefits insurance, etc.**	0.7	0.5	0.1	0.1	0.5	0.5	0.2	0.8	0.5	0.6	0.1	0.8	0.5	0.6	0.6	0.8	0.8	2.5	0.1	0.4	0.6	0.3	0.6	0.5
2. Pension, insurance, and other agreed-upon payments (employer's share only):																								
a. Pension plan premiums and pension payments not covered by insurance-type plan (net)	6.3	5.6	5.2	2.5	5.1	5.3	6.9	10.3	3.3	5.5	6.5	5.5	6.0	5.8	5.8	5.4	7.2	9.8	2.9	3.5	7.6	7.6	2.7	8.0
b. Life insurance premiums, death benefits; hospital, surgical, medical, and major medical insurance premiums, etc. (net)	5.6	6.4	6.0	4.4	5.3	4.9	6.2	4.5	6.0	7.6	8.1	6.9	7.1	6.1	7.8	5.4	4.5	5.2	3.1	4.5	4.7	4.3	3.6	5.0
c. Salary continuation or long term disability	0.6	0.7	1.0	0.3	0.7	0.6	1.0	0.4	0.7	0.7	0.9	0.7	0.8	0.8	0.8	0.5	0.5	0.6	0.4	0.3	0.3	0.6	0.5	0.4
d. Dental insurance premiums	0.8	0.9	0.9	0.4	0.8	0.6	1.1	0.1	0.6	1.1	1.3	0.9	1.0	0.8	1.3	0.7	0.7	0.7	1.8	0.6	0.3	0.7	0.4	0.7
e. Discounts on goods and services purchased from company by employees	0.7	0.4	1.8	0.4	0.1	0.5	0.2	0.4	0.4	0.5	**	0.2	0.1	0.2	0.4	0.5	0.8	0.5	3.9	1.5	0.4	0.2	0.4	1.0
f. Employee meals furnished by company	0.8	0.5	0.3	**	0.4	0.6	0.4	0.2	0.1	0.4	0.4	0.7	0.7	0.5	0.1	0.6	1.0	0.5	0.1	1.4	1.2	1.5	1.1	0.6
g. Miscellaneous payments (compensation payments in excess of legal requirements, separation or termination pay allowances, moving expenses, etc.)	0.9	0.8	1.0	0.3	2.2	0.2	0.7	0.5	0.8	1.0	1.5	1.1	0.7	0.4	1.3	0.9	1.1	0.5	0.3	0.2	0.5	0.8	1.1	4.8
3. Paid rest periods, lunch periods, wash-up time, travel time, clothes-change time, get-ready time, etc.	4.4	4.4	4.6	5.3	4.1	4.6	5.7	5.6	4.3	5.7	4.4	4.1	3.6	4.3	4.4	4.0	4.4	4.2	4.1	4.5	4.6	4.5	4.7	4.7
4. Payments for time not worked:																								
a. Paid vacations and payments in lieu of vacation	5.0	4.9	5.0	3.4	5.0	5.1	6.1	6.5	4.3	5.1	5.2	4.7	5.1	4.9	5.1	4.7	5.2	5.9	3.7	3.7	4.4	4.9	4.8	6.2
b. Payments for holidays not worked	3.3	3.4	3.1	2.4	3.2	3.0	3.6	3.4	3.1	3.0	3.3	3.6	3.6	3.6	4.3	3.2	3.2	3.5	2.7	2.5	3.1	3.6	2.5	3.6
c. Paid sick leave	1.6	1.3	1.3	0.6	1.0	1.3	1.8	3.0	0.8	1.2	1.3	1.0	1.1	1.3	1.3	1.1	1.9	2.2	0.9	1.3	1.8	1.7	2.0	2.3
d. Payments for State or National Guard duty; jury, witness, and voting pay allowances; payments for time lost due to death in family or other personal reasons, etc.	0.5	0.4	0.3	0.2	0.6	0.5	0.5	0.3	0.3	0.5	0.4	0.4	0.3	0.5	0.3	0.4	0.7	0.9	0.3	0.2	0.5	0.5	0.7	0.5
5. Other items:																								
a. Profit-sharing payments	6.6	6.6	4.0	4.2	5.7	5.4	9.6	4.6	6.3	1.4	9.9	5.7	10.5	5.2	10.7	6.8	6.6	1.4	4.1	5.2	6.8	6.9	6.7	9.4
b. Contributions to employee thrift plans	1.8	1.8	0.4	1.0	2.8	1.1	2.5	2.7	0.4	1.0	0.6	2.4	1.3	1.8	1.4	0.8	1.8	1.8	0.7	1.6	2.8	1.7	0.5	0.8
c. Christmas or other special bonuses, service awards, suggestion awards, etc.	0.8	1.0	1.1	1.0	1.1	1.2	0.7	0.2	0.6	0.7	0.9	1.3	1.2	1.2	0.4	0.5	0.6	0.4	0.2	1.4	1.0	0.6	0.2	0.3
d. Employee education expenditures (tuition refunds, etc.)	0.3	0.2	0.8	0.2	0.2	0.2	0.2	0.1	0.1	0.3	0.1	0.2	0.2	0.2	0.2	0.4	0.4	0.2	**	0.2	0.6	0.4	0.4	0.3
e. Special wage payments ordered by courts, payments to union stewards, etc.	0.5	0.5	0.4	0.7	1.4	0.2	0.5	0.5	0.2	0.3	0.8	0.2	0.4	0.6	0.4	0.3	0.5	0.4	0.6	0.2	0.5	0.6	0.3	0.7

*Includes research, engineering, education, government agencies, mining, construction, etc.

**No companies reported this benefit.

10. PAYROLL DEDUCTIONS FOR EMPLOYEE BENEFITS

Deductions from paychecks for employee benefits totaled 6.8 percent, as shown in Table 17. Deductions included 5.6 percent for Old-Age, Survivors, Disability, and Health Insurance (FICA taxes); 0.2 percent for pension plan premiums and contributions; and 0.9 percent for life, hospital, surgical, medical, and major medical insurance.

Total deductions averaged 45.6 cents per payroll hour, or $949 per year per employee.

Deductions were 8.4 percent of payroll for the miscellaneous nonmanufacturing industry firms, but only 6.1 percent for the pulp, paper, lumber, and furniture and primary metal industries. As cents per payroll hour, they ranged from 62.8 cents for the miscellaneous nonmanufacturing industries to 31 cents for department stores. As dollars per year per employee, they varied from $1,335 for the petroleum industry to $628 for department stores.

TABLE 17. Payroll Deductions for Employee Benefits, 1978

Industry group	Deductions as percent of payroll					Total deductions as cents per payroll hour	Total deductions as dollars per year per employee
	Total deductions	Old-Age, Survivors, Disability, and Health Insurance (FICA taxes)	Railroad Retirement and state sickness benefits insurance taxes	Pension plan premiums or contributions	Life, hospital, surgical, medical, and major medical insurance		
Total, all industries	6.8	5.6	0.1	0.2	0.9	45.6	949
Total, all manufacturing	6.6	5.7	0.1	0.1	0.7	43.7	916
Manufacture of:							
Food, beverages, and tobacco	7.1	5.8	0.1	0.1	1.1	45.4	961
Textile products and apparel	7.8	5.9	*	0.4	1.5	35.7	750
Pulp, paper, lumber, and furniture	6.1	5.6	*	*	0.5	38.2	811
Printing and publishing	6.8	5.5	0.2	0.2	0.9	46.4	932
Chemicals and allied products	6.5	5.6	0.1	0.1	0.7	46.3	971
Petroleum industry	7.3	5.2	0.2	0.2	1.7	62.5	1,335
Rubber, leather, and plastic products	6.4	5.9	*	*	0.5	38.3	795
Stone, clay, and glass products	6.9	5.9	*	*	1.0	42.8	898
Primary metal industries	6.1	5.8	*	0.1	0.2	42.0	863
Fabricated metal products (excluding machinery and transportation equipment)	6.2	5.7	*	0.1	0.4	38.8	811
Machinery (excluding electrical)	6.3	5.7	*	0.2	0.4	42.8	914
Electrical machinery, equipment, and supplies	6.8	5.7	0.1	0.3	0.7	44.7	932
Transportation equipment	6.3	5.7	0.1	0.1	0.4	46.4	980
Instruments and miscellaneous manufacturing industries	6.4	5.7	*	0.1	0.6	39.9	845
Total, all nonmanufacturing	7.2	5.5	0.1	0.4	1.2	49.3	1,013
Public utilities (electric, gas, water, telephone, etc.)	6.9	5.3	0.1	0.3	1.2	54.7	1,144
Department stores	6.9	5.7	0.2	*	1.0	31.0	628
Trade (wholesale and other retail)	7.0	5.6	*	0.4	1.0	43.4	897
Banks, finance companies, and trust companies	7.3	5.6	*	0.4	1.3	44.8	913
Insurance companies	7.1	5.5	*	0.1	1.5	45.4	890
Hospitals	7.0	5.7	*	0.3	1.0	37.9	785
Miscellaneous nonmanufacturing industries (research, engineering, education, government agencies, mining, construction, etc.)	8.4	5.7	0.1	1.2	1.4	62.8	1,290

*Less than 0.05%.

11. WAGE AND PAYROLL DATA

Hourly and annual earnings data, together with several payroll items sometimes considered employee benefits, are shown in Table 18.

Highest hourly earnings of $8.534 were reported by the petroleum industry, followed by public utilities paying $7.943. Lowest were department stores paying $4.495. On an annual basis, the highest paying was again the petroleum industry, with $18,239 per full-time employee, and lowest were department stores paying $9,098.

The average payroll for all companies surveyed was composed of 93.4 percent payments for straight time, 3.7 percent premium pay for overtime, 0.7 percent holiday premium pay, 0.6 percent shift differential, 1.1 percent earned incentive or production bonus, and 0.5 percent for other payroll items.

If employees received regular pay for holidays, but did not work on these days, such payments are reported as employee benefits in the other tables of this report (item 4-b of Tables 4, 6, 7, 8, etc.). If the employee worked on holidays and received $6.00 per hour for regular straight time worked, but $9.00 per hour for holiday work, for each hour of holiday work $6.00 would be reported in Table 18 as straight time and $3.00 as holiday premium pay.

Payroll data in Table 18 are shown as percent of payroll and cents per payroll hour, but can be converted to dollars per year per employee by using as multipliers the annual figures given in the last column of the table.

Employee benefits are numerous, and there are differences of opinion regarding just what constitutes the benefit package and how it should be computed. Should workers' compensation, suggestion awards, and similar items be included? Should shift differentials, overtime premium pay, etc., be included? Should the base be gross payroll or straight-time pay for time actually worked?

Three methods of computation are illustrated in Chart 2. In this study benefits are shown as 36.9 percent of payroll, with benefits averaging $5,138 per year per employee and total gross payroll of $13,924.

However, if the computation base is changed to "straight-time pay for time worked," or $11,148, the $5,138 in benefits average 46.1 percent.

If overtime and holiday premium pay, shift differentials, production bonus, and other miscellaneous payroll items are also considered benefits, the benefits total $6,048. Compared with the $11,148 of straight-time pay for time worked, the benefits are 54.3 percent.

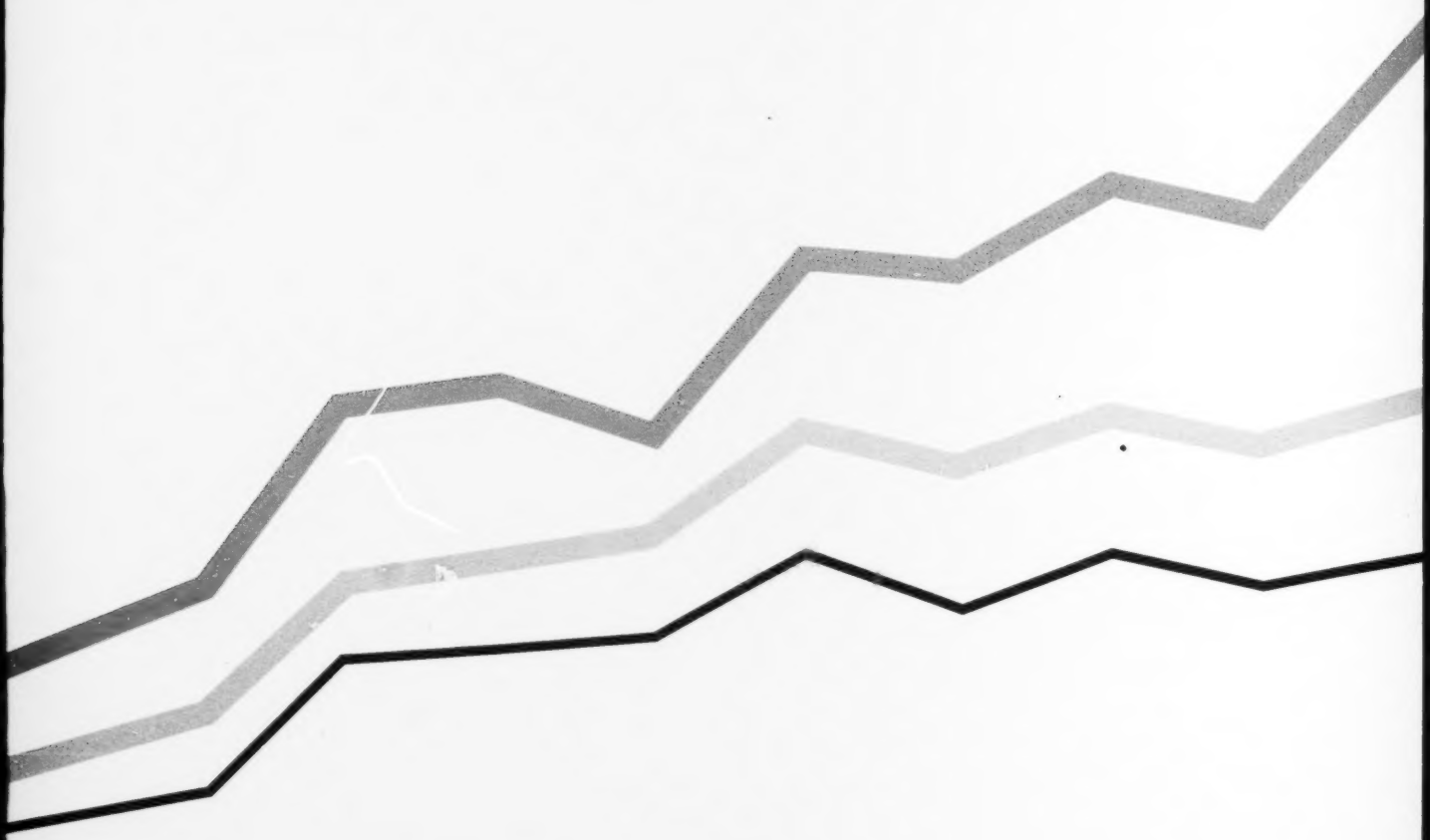


TABLE 18. Wage Data, by Industry Groups, 1978

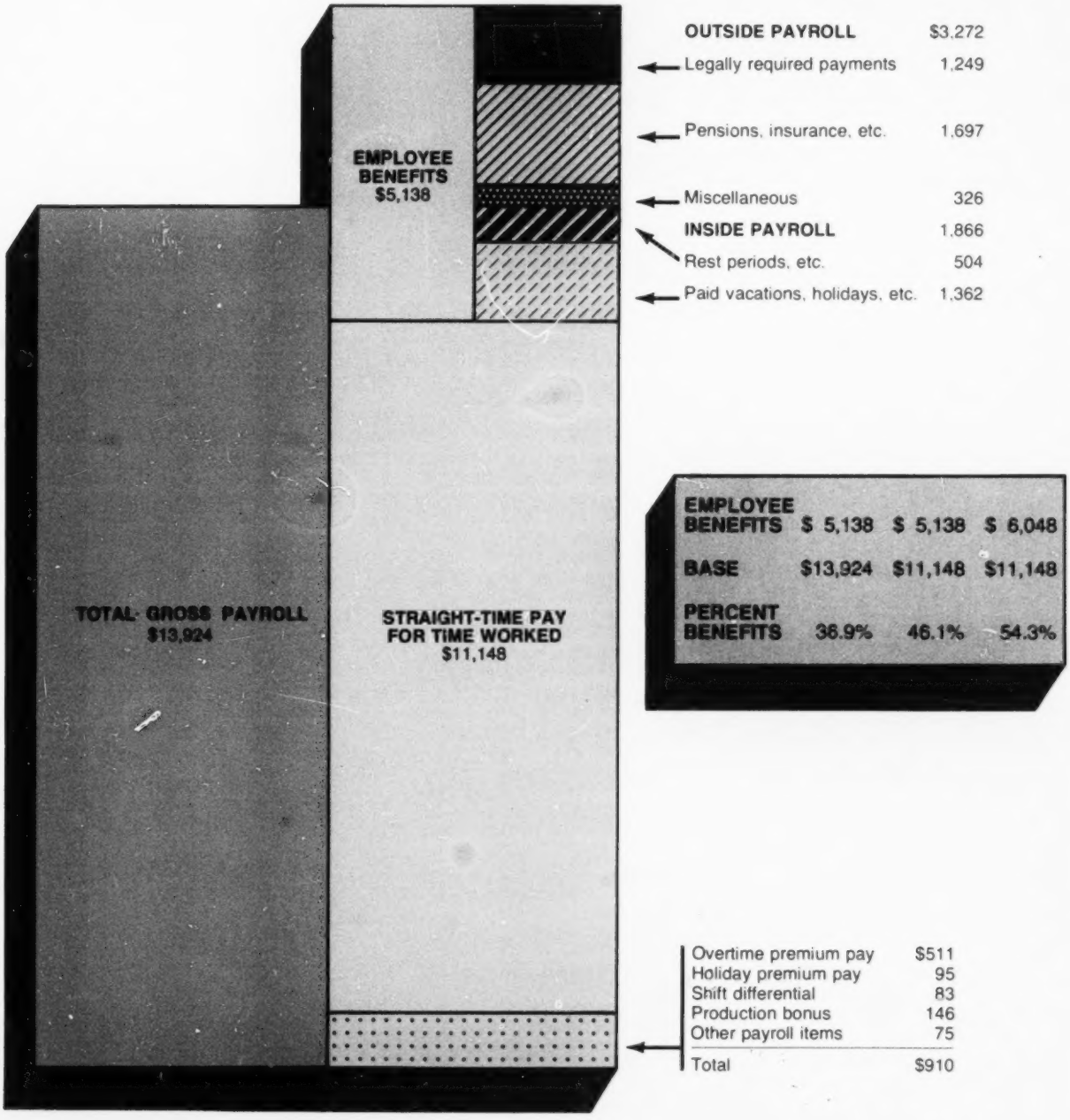
Industry group	Average hourly earnings as percent of payroll							Average hourly earnings as cents per hour							Total payroll dollars per year per full-time employee
	Total payroll	Straight-time pay	Overtime premium pay*	Holiday premium pay*	Shift differential	Earned incentive or production bonus	Other	Total payroll	Straight-time pay	Overtime premium pay*	Holiday premium pay*	Shift differential	Earned incentive or production bonus	Other	
Total, all industries	100.0	93.4	3.7	0.7	0.6	1.1	0.5	669.7	625.9	24.6	4.6	4.0	7.0	3.6	13,924
Total, all manufacturing	100.0	92.3	4.1	0.9	0.7	1.4	0.6	658.1	607.5	26.9	5.8	4.8	9.3	3.8	13,808
Manufacture of:															
Food, beverages, and tobacco	100.0	93.1	4.4	0.7	0.3	1.2	0.3	636.6	593.4	27.8	4.2	1.9	7.5	1.8	13,466
Textile products and apparel	100.0	93.3	3.7	1.0	0.5	1.2	0.3	460.8	429.6	17.2	4.8	2.5	5.3	1.4	9,674
Pulp paper, lumber, and furniture	100.0	91.1	4.4	1.0	0.6	2.0	0.9	630.5	574.2	27.5	6.1	4.1	12.7	5.9	13,404
Printing and publishing	100.0	93.7	3.2	0.9	0.6	1.2	0.4	688.1	644.3	22.1	6.3	4.1	8.3	3.0	13,802
Chemicals and allied products	100.0	91.2	4.6	1.4	1.0	0.8	1.0	709.7	647.5	32.7	10.2	6.7	5.7	6.9	14,883
Petroleum industry	100.0	92.3	5.5	0.9	1.2	0.1	**	853.4	787.6	46.6	7.9	10.5	0.6	0.2	18,239
Rubber, leather, and plastic products	100.0	91.1	4.0	0.7	0.9	3.3	**	597.9	544.5	23.9	4.3	5.5	19.7	***	12,399
Stone, clay, and glass products	100.0	90.3	5.4	0.7	0.4	2.7	0.5	619.4	559.5	33.3	4.1	2.8	16.6	3.1	13,005
Primary metal industries	100.0	91.0	4.3	1.1	0.7	1.7	1.2	687.3	625.2	29.7	7.3	4.8	12.0	8.3	14,123
Fabricated metal products (excluding machinery and transportation equipment)	100.0	92.8	4.3	0.7	0.7	1.2	0.3	631.3	586.1	27.4	4.3	4.1	7.3	2.1	13,176
Machinery (excluding electrical)	100.0	92.0	4.5	0.8	0.9	1.2	0.6	679.3	624.1	30.9	5.5	6.4	8.3	4.1	14,501
Electrical machinery, equipment, and supplies	100.0	94.3	2.9	0.9	0.7	0.7	0.5	659.0	621.0	19.1	6.2	4.6	4.8	3.3	13,755
Transportation equipment	100.0	91.1	4.3	1.1	1.1	1.9	0.5	738.8	672.3	32.0	8.3	8.2	14.0	4.0	15,607
Instruments and miscellaneous manufacturing industries	100.0	93.4	3.1	0.6	0.5	1.6	0.8	628.3	587.1	19.2	3.5	3.3	10.1	5.1	13,294
Total, all nonmanufacturing	100.0	95.0	3.1	0.4	0.4	0.6	0.5	685.3	651.3	21.2	2.8	2.8	3.8	3.4	14,080
Public utilities (electric, gas, water, telephone, etc.)	100.0	93.6	5.5	0.4	0.3	**	0.2	794.3	743.8	43.4	2.9	2.0	0.3	1.9	16,619
Department stores	100.0	95.2	2.5	0.5	**	1.8	**	449.5	427.7	11.3	2.4	***	8.1	***	9,098
Trade (wholesale and other retail)	100.0	94.8	3.3	0.5	0.2	0.8	0.4	622.2	590.2	20.3	2.9	1.3	4.8	2.7	12,869
Banks, finance companies, and trust companies	100.0	95.6	1.9	0.6	0.4	1.0	0.5	612.0	585.4	11.4	3.8	2.2	6.2	3.0	12,464
Insurance companies	100.0	96.7	1.3	0.1	0.1	0.9	0.9	639.8	619.5	8.2	0.6	0.3	5.7	5.5	12,539
Hospitals	100.0	96.0	1.7	0.5	1.3	0.1	0.4	543.2	522.0	9.1	2.8	7.0	0.4	1.9	11,262
Miscellaneous nonmanufacturing industries (research, engineering, education, government agencies, mining, construction, etc.)	100.0	94.0	2.6	0.6	0.3	1.4	1.1	746.6	701.8	19.6	4.5	2.2	10.6	7.9	15,332

Includes bonus or premium pay only. If employee receives $6.00 per hour for straight time and $9.00 for overtime, for each overtime hour worked, $6.00 would be shown as straight-time pay and $3.00 as overtime pay.

***Less than 0.05%.*

****Less than 0.05¢.*

CHART 2. Annual Employee Benefits and Earnings per Employee, 1978



12. COMPARISON OF 1957-78 EMPLOYEE BENEFITS

Of the 858 companies reporting in the survey, 159 had submitted data in the Chamber's 1957 and later surveys. Thus, it was possible to trace the growth of employee benefits in an identical group of 159 companies.

These 159 firms reported benefit payments rising from 23.4 percent of payroll in 1957 to 29 percent in 1967 and 40.5 percent in 1978. This was an increase of 73 percent during the 21-year period.

Due to rising wage rates, benefits as cents per payroll hour and as annual dollars per employee increased much more rapidly than on a percent of payroll basis. Employee benefits for this group of companies increased from 53.1 cents per payroll hour in 1957 to 292.6 cents in 1978, a rise of 441 percent.

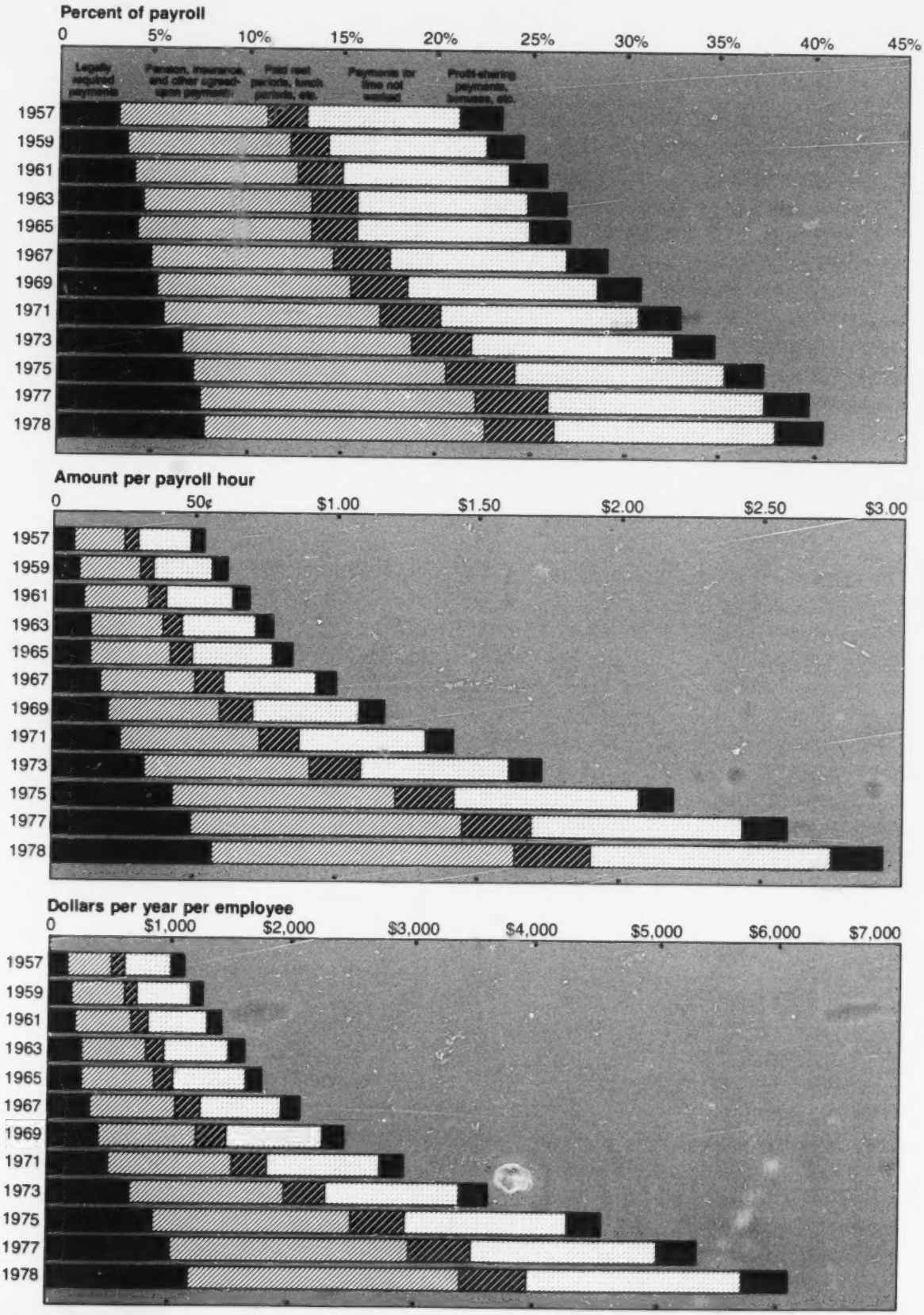
As dollars per year per employee, they increased from $1,098 in 1957 to $6,091 in 1978, an increase of 455 percent.

Average benefits for these 159 companies are somewhat higher than the 858 company averages shown in other tables of this report because many of the 159 companies are rather large and established their benefit programs earlier than the other companies.

TABLE 19. Comparison of 1957-78 Employee Benefits for 159 Companies

Item	1957	1959	1961	1963	1965	1967	1969	1971	1973	1975	1977	1978
All industries (159 companies)												
1. As percent of payroll, total	23.4	24.5	25.8	26.8	27.0	29.0	30.8	32.8	34.8	37.4	39.8	40.5
a. Legally required payments (employer's share only)	3.1	3.6	4.0	4.5	4.2	4.9	5.2	5.6	6.6	7.2	7.6	7.8
b. Pension, insurance, and other agreed-upon payments (employer's share only)	7.9	8.6	8.6	8.9	9.2	9.7	10.3	11.5	12.1	13.4	14.6	14.8
c. Paid rest periods, lunch periods, etc.	2.1	2.0	2.4	2.4	2.4	2.9	3.0	3.1	3.2	3.6	3.8	3.7
d. Payments for time not worked	8.1	8.4	8.8	9.0	9.1	9.4	10.0	10.5	10.7	11.1	11.4	11.7
e. Profit-sharing payments, bonuses, etc.	2.2	1.9	2.0	2.0	2.1	2.1	2.3	2.1	2.2	2.1	2.4	2.5
2. As cents per payroll hour	53.1	60.5	68.1	77.4	84.3	99.6	116.7	140.7	172.1	218.9	258.9	292.6
3. As dollars per year per employee	1,098	1,254	1,409	1,603	1,753	2,063	2,431	2,916	3,612	4,536	5,337	6,091
All manufacturing (62 companies)												
1. As percent of payroll, total	22.2	23.4	24.8	25.7	26.2	28.6	30.7	33.5	35.5	38.8	41.0	42.2
a. Legally required payments (employer's share only)	3.4	4.0	4.5	5.0	4.7	5.4	5.8	6.5	7.6	8.2	8.7	9.2
b. Pension, insurance, and other agreed-upon payments (employer's share only)	6.5	7.1	7.2	7.4	7.8	8.7	9.7	11.4	12.1	13.7	14.7	15.1
c. Paid rest periods, lunch periods, etc.	2.9	2.8	3.4	3.3	3.3	3.5	3.6	3.8	3.8	4.0	4.2	4.2
d. Payments for time not worked	6.8	7.2	7.6	7.7	8.1	8.6	9.1	9.7	9.9	10.6	11.0	11.2
e. Profit-sharing payments, bonuses, etc.	2.6	2.3	2.1	2.3	2.3	2.4	2.5	2.1	2.1	2.3	2.4	2.5
2. As cents per payroll hour	50.7	58.9	65.6	74.3	81.6	96.8	114.2	142.3	169.9	219.0	258.8	295.7
3. As dollars per year per employee	1,065	1,233	1,370	1,561	1,735	2,037	2,432	3,020	3,664	4,632	5,394	6,304
All nonmanufacturing (97 companies)												
1. As percent of payroll, total	24.1	25.1	26.3	27.5	27.5	29.2	30.8	32.4	34.3	36.8	39.1	39.4
a. Legally required payments (employer's share only)	2.9	3.3	3.7	4.3	3.9	4.6	4.9	5.0	5.9	6.7	6.8	7.0
b. Pension, insurance, and other agreed-upon payments (employer's share only)	8.8	9.4	9.5	9.9	10.0	10.3	10.7	11.5	12.1	13.1	14.5	14.6
c. Paid rest periods, lunch periods, etc.	1.6	1.5	1.8	1.7	1.9	2.4	2.6	2.7	2.9	3.4	3.4	3.4
d. Payments for time not worked	8.9	9.2	9.5	9.8	9.7	9.9	10.5	11.0	11.1	11.5	12.1	12.0
e. Profit-sharing payments, bonuses, etc.	1.9	1.7	1.8	1.8	2.0	2.0	2.1	2.2	2.3	2.1	2.3	2.4
2. As cents per payroll hour	54.6	61.5	69.7	79.4	86.1	101.4	118.3	139.6	173.5	218.9	259.0	290.6
3. As dollars per year per employee	1,120	1,267	1,434	1,630	1,765	2,080	2,431	2,850	3,579	4,475	5,300	5,956

CHART 3. Comparison of 1957-78 Employee Benefits for 159 Companies



13. TOTAL EMPLOYEE BENEFIT COSTS

Employee benefit costs are estimated at $350 billion for 1978, as shown in Table 20. Costs in manufacturing industries are estimated at $104.5 billion, or 35 percent of the $298.3 billion paid in wages and salaries. Wholesale and retail trade benefits are estimated at $53 billion, or 28.5 percent of the $186.4 billion in wages and salaries. Benefits in service industries are estimated at $41.5 billion; construction at $16.5 billion; finance, insurance, and real estate at $23 billion; transportation at $18 billion; utilities and communication at $14.6 billion; mining at $6.6 billion; agriculture at $2.3 billion; and federal, state, and local government benefits at $70 billion.

Total benefits for 1929 are estimated at $1.5 billion, or 3 percent of that year's $50.4 billion in wages and salaries (Table 21). There were no Old-Age, Survivors, Disability, and Health Insurance or Unemployment Compensation programs. The only legally required payments were workers' compensation and government employees' retirement, totaling 0.8 percent.

Agreed-upon programs in 1929 are estimated at 0.4 percent, including small amounts for private pension and insurance programs. Rest periods are estimated at 1 percent, and time paid for but not worked is estimated at 0.7 percent. In 1929, vacations and paid holidays were usually limited to office workers, with the one-week vacation common, and paid holidays considerably fewer than today. Bonuses, profit-sharing, and other miscellaneous benefits in 1929 are estimated at 0.1 percent.

The 1957 benefits are estimated at 18 percent of wages and salaries, or $43 billion. This includes 3.7 percent for legally required payments, 3.9 percent for agreed-upon payments, 3 percent for rest periods, 6.4 percent for time not worked, and 1 percent for other benefits.

Benefit payments for 1967 are estimated to have reached $100 billion, or 23.5 percent of payroll. Legally required payments are estimated at 6.3 percent; agreed-upon payments at 5 percent; rest periods, 3.3 percent; time not worked, 7.6 percent; and bonuses, profit-sharing payments, etc., 1.3 percent.

Total 1978 benefits are estimated at 31.7 percent of payroll. This includes 9.2 percent for legally required payments, 8.1 percent for pensions, insurance, and other agreed-upon payments; and 3.8 percent for rest periods. Vacations, holidays, sick leave, and other time not worked is estimated at 9.5 percent, and bonuses, profit-sharing, and other miscellaneous payments at 1.1 percent.

TABLE 20. Estimated Total Employee Benefit Payments, 1978

Industry	Wages and salaries (Billion dollars)	Benefit payments	
		Percent	Billion dollars
Manufacturing	$ 298.3	35%	$104.5
Trade (wholesale and retail)	186.4	28.5	53.0
Services	169.5	24.5	41.5
Construction	62.2	26.5	16.5
Finance, insurance, and real estate	59.3	39	23.0
Transportation	47.8	38	18.0
Utilities and communication	35.2	41.5	14.6
Mining	16.3	40.5	6.6
Agriculture	10.5	22	2.3
Private industry	885.5	31.6	280.0
Government (federal, state, local)	218.0	32	70.0
Total, all industries	$1,103.5	31.7	$350.0

SOURCES: Wages and salaries data from United States Department of Commerce.
Employee benefit data estimated by Chamber of Commerce of the United States.

TABLE 21. Growth of Employee Benefits, 1929 to 1978

Type of payment	1929	1957	1967	1978
	(Percent of wages and salaries)			
1. Legally required	0.8%	3.7%	6.3%	9.2%
Old-Age, Survivors, Disability, and Health Insurance (FICA taxes)	0	1.5	3.2	4.6
Unemployment Compensation	0	0.8	0.8	1.3
Workers' compensation	0.6	0.5	1.0	1.0
Government employee retirement	0.2	0.7	1.0	2.0
Other	0	0.2	0.3	0.3
2. Agreed-upon	0.4	3.9	5.0	8.1
Pensions	0.2	2.4	2.6	3.7
Insurance	0.1	1.2	2.1	4.0
Other	0.1	0.3	0.3	0.4
3. Rest periods	1.0	3.0	3.3	3.8
4. Time not worked	0.7	6.4	7.6	9.5
Vacation	0.3	3.3	3.9	4.9
Holidays	0.3	2.2	2.6	3.2
Sick leave	0.1	0.8	0.9	1.2
Other	0	0.1	0.2	0.2
5. Bonuses, profit-sharing, etc.	0.1	1.0	1.3	1.1
Total benefit payments	3.0%	18.0%	23.5%	31.7%
	(Billion dollars)			
Wage and salaries	$50.4	$239.3	$427.5	$1,103.5
Total benefit payments	$ 1.5	$ 43.0	$100.0	$ 350.0

Source: Estimated by Chamber of Commerce of the United States.

14. SUPPLEMENTS TO WAGES AND SALARIES

The United States Department of Commerce publishes some employee benefits data in its National Income statistics. Listed as supplements to wages and salaries, and covering the period 1929 to date, they consist chiefly of legally required payments and expenditures for private pension and welfare plans (items B and C of the Chamber questionnaire). These costs grew from $0.7 billion in 1929 to $201 billion in 1978, as shown in Table 22 and Chart 4. The 1978 costs averaged 18.2 percent of wages and salaries for all industries, but ranged from 13.2 percent for service industries and 14.6 percent for agriculture, forestry, and fisheries, as well as wholesale and retail trade, to 24.9 percent for electric, gas, and sanitary services and 36 percent for communication.

TABLE 22. Supplements to Wages and Salaries, 1929 to 1978

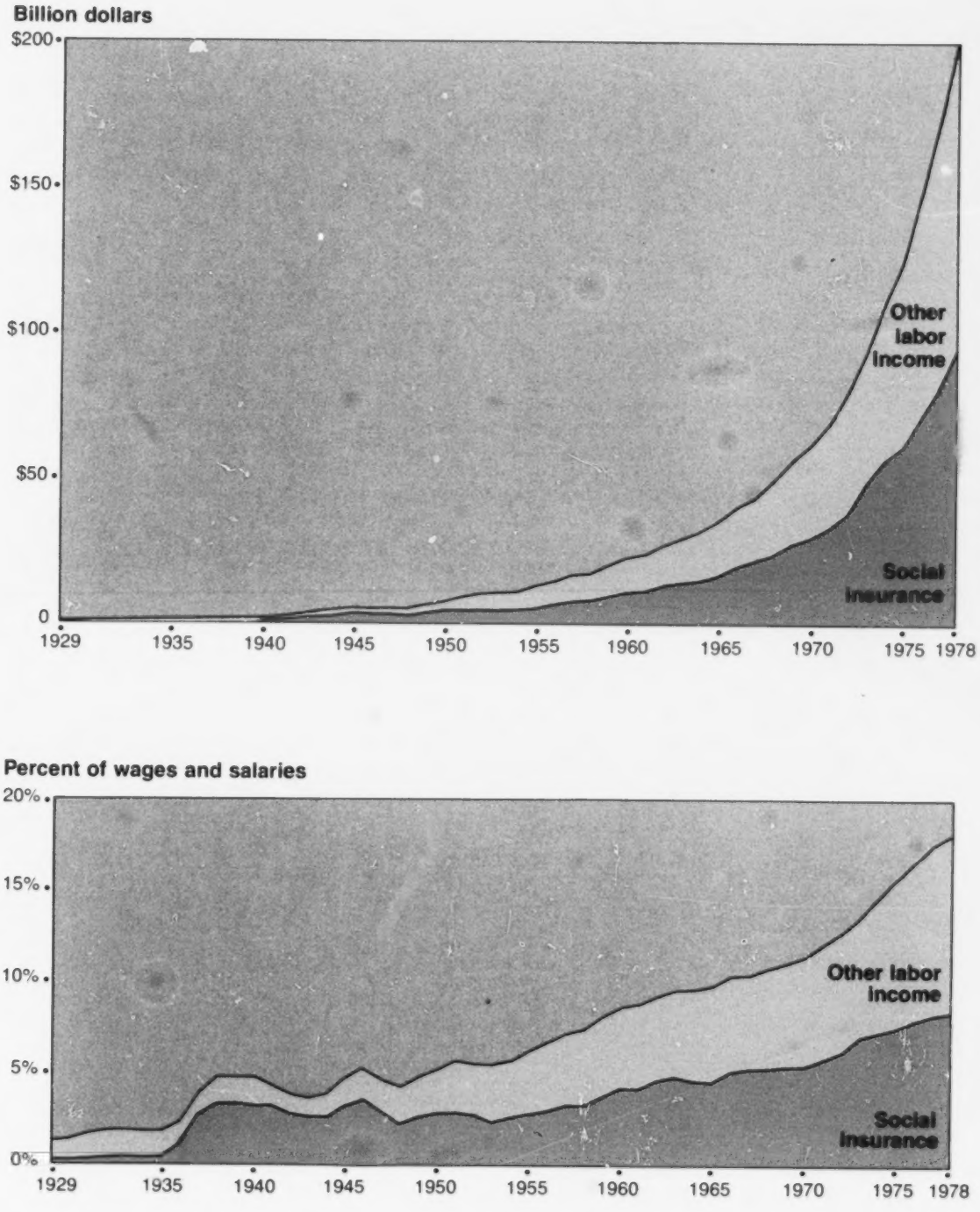
(United States Department of Commerce Data)

Item	1929	1935	1940	1945	1950	1955	1960	1965	1970	1975	1978
						Million dollars*					
Total supplements to wages and salaries	662	650	2,311	5,604	7,818	13,238	23,000	34,538	62,697	125,207	201,021
Employer contributions for social insurance	101	171	1,624	3,805	4,164	6,216	11,780	16,698	30,680	60,079	94,562
Federal social insurance funds	29	44	1,469	3,580	3,482	4,957	9,645	13,668	25,006	48,824	74,281
Old-Age, Survivors, and Disability Insurance	...	...	329	630	1,308	2,825	5,632	8,330	16,381	30,605	42,785
Hospital insurance	...	...	...	...	...	...	...	...	2,371	5,631	8,567
State unemployment insurance	...	7	813	1,011	1,217	1,221	2,300	3,076	2,493	5,283	11,767
Federal unemployment tax	...	...	98	174	232	304	343	558	854	1,294	2,850
Federal civilian employee retirement	21	32	93	227	316	144	838	1,146	2,104	4,353	5,996
Other items	8	5	136	1,538	409	463	532	558	803	1,658	2,316
State and local social insurance funds	72	127	155	225	682	1,259	2,135	3,030	5,674	11,255	20,281
State and local employee retirement	72	127	155	225	510	985	1,775	2,525	4,921	9,889	17,890
Other items	...	...	...	...	172	274	360	505	753	1,366	2,391
Other labor income	561	479	687	1,799	3,654	7,022	11,220	17,840	32,017	65,128	106,459
Employer contributions to private pension and welfare funds	169	180	282	1,132	3,534	6,845	10,969	17,485	31,447	64,190	105,044
Pension and profit-sharing	...	...	...	...	1,713	3,377	4,866	7,646	12,972	28,045	44,990
Group health insurance	...	...	...	...	781	1,706	3,374	5,890	11,801	24,649	41,868
Group life insurance	...	...	...	...	249	561	1,080	1,651	2,848	4,368	5,339
Workers' compensation	...	...	...	...	791	1,150	1,529	2,177	3,696	6,888	12,587
Supplemental unemployment	...	...	...	...	...	51	120	121	130	240	260
Other items	392	299	405	667	120	177	251	355	570	938	1,415
						Total supplements as percent of wages and salaries					
All industries	1.3	1.8	4.6	4.8	5.3	6.3	8.6	9.7	11.4	15.5	18.2
Agriculture, forestry, and fisheries	0.4	0.5	0.6	0.4	0.6	2.1	3.4	4.8	6.6	10.9	14.6
Mining	1.6	1.7	5.7	4.1	8.9	9.6	10.9	11.0	12.1	21.6	24.2
Contract construction	2.3	3.4	6.6	5.3	5.0	5.5	7.8	9.3	10.3	12.9	15.0
Manufacturing	0.9	1.2	5.2	5.1	6.4	8.1	10.8	12.9	15.3	19.1	22.1
Transportation	2.0	2.7	6.2	6.0	6.3	7.1	9.9	10.7	12.5	17.6	19.8
Communication	2.1	4.4	8.8	8.9	10.0	8.7	10.8	13.3	15.6	32.2	36.0
Electric, gas, and sanitary services	1.7	2.2	6.2	9.4	9.0	10.4	12.6	14.8	16.6	22.2	24.9
Wholesale and retail trade	0.6	0.8	3.9	3.4	3.7	4.1	5.9	6.7	8.2	12.6	14.6
Finance, insurance, and real estate	2.4	2.6	6.0	5.1	6.1	7.2	11.0	12.1	13.6	17.6	19.5
Services	0.4	0.6	2.5	2.2	2.5	3.1	4.5	5.3	7.0	11.6	13.2
Government and government enterprises	3.2	3.5	4.1	5.3	5.6	5.3	8.6	8.7	10.3	13.9	17.7
All private enterprises	1.1	1.4	4.8	4.5	5.3	6.5	8.6	10.0	11.7	16.0	18.3

**Due to changes in classification, 1929-45 data are not strictly comparable with more recent data.*

Source: United States Department of Commerce data. Percentages computed by Chamber of Commerce of the United States.

CHART 4. Supplements to Wages and Salaries, 1929 to 1978



15. HOW EMPLOYEE BENEFITS WERE SURVEYED

As in earlier studies, it was necessary to go directly to employers for the basic data on employee benefits. The mailing list included firms reporting in the Chamber's 1975 and 1977 surveys, plus samples of firms from POOR'S REGISTER OF DIRECTORS AND EXECUTIVES 1978 (omitting firms with fewer than 100 employees), plus a number of large and medium sized public utilities, banks, insurance companies, and wholesale and retail trade firms. Questionnaires were also sent to firms requesting that they be included in the survey. Questionnaires were sent to some of their members by the National Retail Merchants Association, the Hospital Association of New York State, the Kansas City Area Hospital Association, and the American Paper Institute.

EMPLOYEES COVERED

This study is, in general, limited to employees who are not exempt from the Fair Labor Standards Act. Pay of workers covered by this survey varies with the number of hours worked. However, for banks, financial institutions, etc., all nonsupervisory employees and working supervisors are included, regardless of their method of wage payment.

COMPUTATION METHOD

The method of computation used in this study is outlined below. Also shown is a procedure for computing a company's benefit payments on a basis comparable to that used in this report.

In combining company data to form industry averages, the percentages for individual companies were added together without weighting. Otherwise, data for a few large companies might obscure the data of many small firms. Also, this procedure tended to compensate for the lower percentage coverage of smaller firms.

YOUR COMPANY'S EMPLOYEE BENEFITS

After the Chamber's previous benefits studies were published, several companies inquired how their data might be compiled on a comparable basis. This can be done by completing the questionnaire on pages 34-36 and performing the following computations:

1. Total benefit payments (Questionnaire items B through F) ..... $_____
2. "Full-time equivalent" employees (In questionnaire item H divide the hours for all employees by the hours for a full-time employee) .....

Employee benefit payments as:

Percent of payroll (Item 1 above divided by questionnaire item A-7) .....

Cents per payroll hour (Item 1 above divided by the hours for all employees in questionnaire item H) .....

Dollars per year per employee (Item 1 above divided by item 2 above) ..... $_____

REPRODUCTION PRIVILEGES

A number of companies have published their benefit data in annual reports, employee publications, and advertisements, often with data from the Chamber studies. Any data given in this report may be reprinted without specific permission from the Chamber of Commerce of the United States.

	Our company	Our industry	All manufacturing	All non-manufacturing	All industries
Employee benefits as:					
Percent of payroll	_____%	_____%	37.4%	36.1%	36.9%
Cents per payroll hour	_____¢	_____¢	246.1¢	247.4¢	247.1¢
Dollars per year per employee	$_____	$_____	$5,164	$5,083	$5,138

16. COPY OF QUESTIONNAIRE USED IN SURVEY

INSTRUCTIONS

EMPLOYEE BENEFITS SURVEY—1978

(Fringe Benefits)

THIS SURVEY IS CONFIDENTIAL

Data of individual firms will not be disclosed. Data furnished will be published only in the form of totals for groups of companies. Only persons handling the research will see your report.

1. **COVERAGE.** If you have several divisions or plants, data covering any typical group of employees will be satisfactory.
2. **EMPLOYEES COVERED IN SURVEY.** Except for banks, financial institutions, etc., limit data included in this report to hourly-rated employees and to salaried employees who are paid on a similar basis. That is, include data for salaried employees if their pay varies depending on whether they work overtime, or less than full time, but do not include them if they receive their regular daily or weekly pay regardless of hours worked. Since this definition would exclude many employees of **banks, financial institutions, etc.,** for these firms please include all nonsupervisory employees and all working supervisors, regardless of their method of payment. Please exclude all officers of company. **Hospitals** having difficulty making this employee separation can also include data for all employees.
3. **APPROXIMATE OR INCOMPLETE DATA.** If you are unable to give exact data for the various items in the questionnaire, please give estimates—we would prefer a good estimate to a blank space. If you are unable to break down the data on payments exactly as we have outlined it, please give the data that is available. Please indicate the items for which payments were made, but for which you cannot give separate figures.
4. **QUESTION A. GROSS PAYROLL DATA.** For this item report actual wages (not take-home pay after deductions have been made). Report on line A-1 the straight-time wages for all hours, including pay for time not worked, and report premium and bonus payments on other lines. Thus, if an employee receives $6.00 an hour for straight time, and $3.00 additional for overtime after 40 hours, for each hour of overtime worked after 40 hours, $6.00 would be entered on line A-1 and $3.00 on line A-2.
5. **ITEMS C-1, C-4, and C-6. PENSION AND INSURANCE PREMIUMS.** For pension and insurance premiums, report net payments after deducting any dividends or credits returned to employer by insurer. In **pension programs** the company's long-term commitment is fixed, not tied to profits. Profit sharing payments are reported as Item F-1.
6. **ITEM C-4. LIFE INSURANCE.** Exclude premiums for life insurance purchased under a pension plan. Such premiums should be reported under Item C-1.
7. **ITEM C-6. MEDICAL CARE INSURANCE.** Include premiums which supplement Medicare coverage of retired employees.
8. **ITEM F-1. PROFIT-SHARING PAYMENTS.** Company contributions are based on current profits of the business, fluctuating with current profit levels.
9. **ITEM F-2. CONTRIBUTIONS TO EMPLOYEE THRIFT PLANS.** Company contributions are not tied to current profit levels, but are a fixed proportion of amount contributed by employees.
10. **QUESTION G. EMPLOYEE PAYROLL DEDUCTIONS.** For this question report deductions from employee pay. Employer contributions are reported in questions B and C.
11. **QUESTION H. MAN HOURS.** This is the number of man hours worked or paid for, corresponding to earnings given on line A-1. **Man hours for full-time employee.** Report the total number of man hours for a typical full-time employee in 1978. It would be the number of hours representing his wages shown on line A-1, including his paid vacation period, paid holidays, paid sick leave, etc. If hours would not be the same for all employees, show hours for the majority of employees.

CONFIDENTIAL

EMPLOYEE BENEFITS SURVEY—1978

(Fringe Benefits)

For Office Coding—Leave Blank

1 ____ ____ ____ ____

____ ____ ____ ____ ____ ____

____ ____ ____ ____ ____ ____

____ ____ ____ ____ ____ ____

27 ____ ____ ____

____ ____

____

33 ____

Name of Firm _____ Date _____

Address _____ City _____ State _____ Zip Code _____

Name of Company Official _____ Title _____

Show actual data or best estimate for employees covered in survey.

Total amount for 1978

A. GROSS PAYROLL FOR EMPLOYEES IN SURVEY: (See Instructions No. 4)

1. Straight time for employees in survey		$	34 ____ ____ ____
2. Overtime premium pay	Include **BONUS AND**	$	____ ____ ____
3. Holiday premium pay	**PREMIUM PAY ONLY**	$	____ ____ ____
4. Shift differential	on lines 2-6.	$	40 ____ ____ ____
5. Earned incentive or production bonus	Report straight-time	$	____ ____ ____
6. Other (Specify: _____)	pay on line 1.	$	46 ____ ____ ____
7. Total gross payroll		$	____ ____ ____

B. LEGALLY REQUIRED PAYMENTS (employer's share only):

1. Old-Age, Survivors, Disability, and Health Insurance (employee FICA taxes)	$	53 ____ ____ ____
2. Unemployment Compensation (Federal and state taxes)	$	____ ____ ____
3. Workers' Compensation (estimate cost if self-insured)	$	59 ____ ____ ____
4. Railroad Retirement Tax	$	
5. Railroad Unemployment and Cash Sickness Insurance	$	
6. State sickness benefits insurance	$	
7. Other (Specify: _____)	$	____ ____ ____
8. Total	$	

C. VOLUNTARY OR AGREED-UPON PAYMENTS (employer's share only):

1. Pension plan premiums under insurance and annuity contracts (net) (See Instructions No. 5)	$	65 ____ ____ ____
2. Payments to uninsured trusteed pension plans	$	____ ____ ____
3. Pension payments under unfunded pension programs	$	71 ____ ____ ____
4. Life insurance premiums (net) (See Instructions Nos. 5 and 6)	$	
5. Death benefits not covered by insurance	$	
6. Hospital, surgical, medical, and major medical insurance premiums (net) (See Instructions No. 7)	$	
7. Hospital, surgical, medical, and major medical payments self-insured	$	6 ____ ____ ____
8. Salary continuation or long-term disability (insured, self-administered, or trust)	$	____ ____ ____
9. Dental insurance premiums	$	12 ____ ____ ____
10. Discounts on goods and services purchased from company by employees	$	____ ____ ____
11. Employee meals furnished by company	$	18 ____ ____ ____
12. Other (Specify: _____)	$	21 ____ ____ ____
13. Total	$	

Please return the filled-out questionnaire to:
ECONOMIC POLICY/CHAMBER OF COMMERCE OF THE UNITED STATES/WASHINGTON, D.C. 20062

CONFIDENTIAL

	Total amount for 1978	For Office Coding—Leave Blank
D. PAID REST PERIODS, LUNCH PERIODS, WASH-UP TIME, TRAVEL TIME, CLOTHES-CHANGE TIME, GET-READY TIME, ETC.	$	24
E. PAYMENTS FOR TIME NOT WORKED:		
1. Payments for or in lieu of vacations	$	27
2. Payments for holidays not worked	$	
3. Sick leave pay	$	33
4. Payments required under guaranteed workweek or workyear	$	
5. Jury, witness, and voting pay allowances	$	
6. National Defense, State or National Guard duty	$	
7. Payment for time lost due to death in family or other personal reasons	$	
8. Other (Specify:)	$	36
9. Total	$	
F. OTHER ITEMS:		
1. Profit-sharing payments (See Instructions No. 8)		
(a) Current cash payments	$	39
(b) Payments to deferred profit-sharing trusts	$	
2. Contributions to employee thrift plans (See Instructions No. 9)	$	45
3. Christmas or other special bonuses (not tied to profits), service awards, suggestion awards, etc.	$	
4. Employee education expenditures (tuition refunds, seminar attendance, etc.)	$	51
5. Payments to union stewards or officials for time spent in settling grievances or in negotiating agreements	$	
6. Special wage payments ordered by courts, wage adjustment boards, etc.	$	
7. Other (Specify:)	$	54
8. Total	$	
G. EMPLOYEE PAYROLL DEDUCTIONS: (See Instructions No. 10)		
1. Old-Age, Survivors, Disability, and Health Insurance (employee FICA taxes)	$	57
2. Railroad Retirement Tax	$	
3. State sickness benefits insurance tax	$	
4. Pension plan premiums or contributions	$	63
5. Life insurance premiums	$	
6. Hospital, surgical, medical, and major medical insurance premiums or contributions	$	66
7. Total	$	

H. MAN HOURS (man hours worked or paid for, including time actually worked, plus holidays, vacation, sick leave, and other time paid for but not worked) (See Instructions No. 11)

1. Total for all employees in survey _____ hours
2. For typical full-time employee _____ hours

73

I. TYPE OF BUSINESS and principal lines or products manufactured or handled:

_____

_____

_____

_____

Please return the filled-out questionnaire to:
ECONOMIC POLICY/CHAMBER OF COMMERCE OF THE UNITED STATES/WASHINGTON, D.C. 20062